

SUMMARY OF GOVERNMENTAL FINANCES IN 1952

GOVERNMENTAL FINANCES IN
THE UNITED STATES: 1952

GOVERNMENT DIVISION
Allen D. Howell, Chief

G-GF52

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Federal, State, and local government expenditure totaled \$101.5 billion in the fiscal year 1952, or \$646 per capita for the Nation. Spending for national defense by the Federal Government was a considerable part of the total, amounting to \$40 billion or \$255 per capita. The other \$61.5 billion of public spending in 1952 was split about evenly between the Federal Government (\$30.6 billion) and State and local governments (\$30.9 billion).

No other purpose of public expenditure accounted for more than a small fraction of the amount devoted to national defense. The total of spending by all levels of government for education amounted to \$9.6 billion, or \$61 per capita. Interest on general-government debt

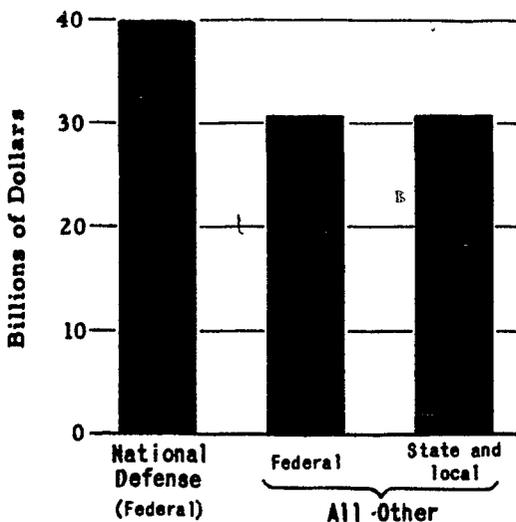
ranked next at \$41 per capita. International economic and military assistance took \$33 per capita; spending on natural resources (including atomic energy and agricultural support activities), \$32 per capita; and highways and streets, \$30 per capita. Most other functions involved far smaller amounts. For example, police protection expenditure was less than \$7 per capita, and local fire protection took less than \$4 per capita.

Governmental revenue from all sources totaled \$101.1 billion in the fiscal year 1952. Nearly four-fifths of the total was provided by taxes, which for Federal, State, and local governments altogether yielded \$79.1 billion, or \$504 per capita. Charges for services, sales of products, and miscellaneous general revenue sources accounted for \$10.2 billion or 10.1 percent of total governmental revenue. Sales of State and local government liquor stores and of local water, electric, transit, and gas utilities provided \$3.1 billion, or 3.1 percent of all public revenues. The remaining 8.6 percent of the total came from employer and employee contributions for insurance trust systems and the investment earnings of such systems. These insurance trust revenues amounted to \$8.7 billion in 1952.

Counting for each level of government revenue from its own sources only (i.e., excluding fiscal aid and other transfers from other governments), the Federal Government received \$72.6 billion in revenue in 1952, the State governments \$14.3 billion, and local governments \$14.1 billion.

Governmental debt at the end of fiscal year 1952 stood at \$289.2 billion, almost nine-tenths of which consisted of obligations of the Federal

Fig. 1. -- GOVERNMENTAL EXPENDITURE
IN 1952 -- DEFENSE AND OTHER



NOTE: This report presents government finance data for the fiscal year 1952 in terms of national totals, by type of government. As to other Census data on governments, see the description on page 34.

Government. State debt amounted to \$6.9 billion and indebtedness of local governments totaled \$23.2 billion. About half the local government amount was debt of cities, with the remainder consisting of obligations of special districts, school districts, counties, and townships.

For State and local governments, the 1952 debt level of \$30.1 billion represents an all-time high. New borrowing to finance State and local expenditures totaled \$3.8 billion during the fiscal year 1952, whereas debt redemption during the year was only \$1.8 billion. On the other side of the ledger, cash on hand and on deposit plus investment holdings of State and local governments amounted to \$34.0 billion at the end of fiscal year 1952, although less than 10 percent of this amount was held in sinking funds specifically for future redemption of debt.

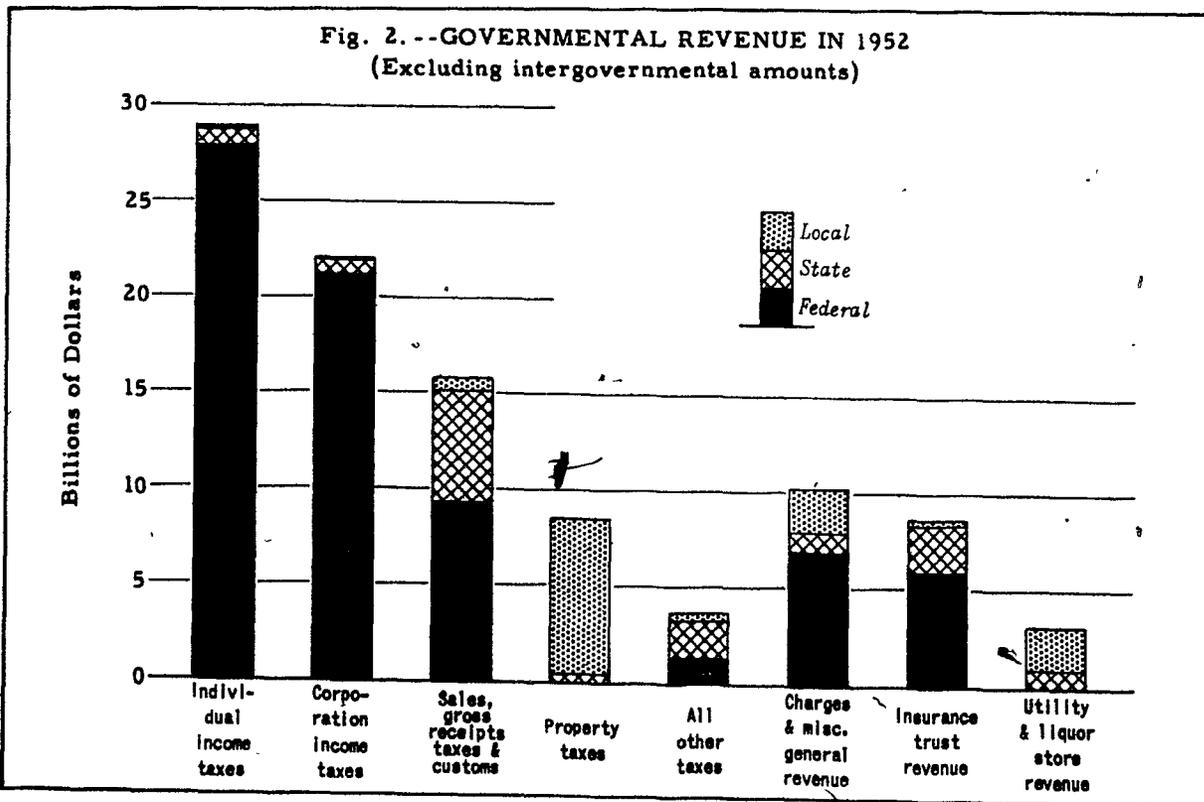
REVENUE BY SOURCE

Total governmental revenue in the fiscal year 1952 was at a record high, one-fifth above the 1951 level. Although State and local gov-

ernment revenue was up materially, the chief factor in the 1951-1952 rise was a 26 percent increase in revenue of the Federal Government.

As shown in this report, governmental revenue basically consists of all receipts of governments from external sources—net of refunds and other correcting transactions—other than from borrowing and liquidation of financial investments. With some relatively minor exceptions, internal transfers from fund to fund are excluded, and aggregates for groups of governments exclude intergovernmental transactions between the governments involved. Since government is defined to include all public agencies, corporations, and funds, the revenue total includes amounts of revenue (on a gross basis) of governmental enterprises and trust funds.

Tables 1 and 2 indicate a marked upward trend in taxes and other governmental revenue in recent years. As is well known, these changes have been accompanied by an increase in population and sharp rises in the price level and in the scale of the Nation's economy. For convenient reference in relation to changes in



governmental revenue, several series of data concerning these trends are summarized below:

Calendar year	National income ¹ (billions)	Gross national product ¹ (billions)	Consumers' price index ² (1935-39=100)	Population, continental U.S., July 1 ³ (millions)
1941....	\$103.8	\$126.4	105.2	138.4
1942....	137.1	161.6	116.6	134.9
1943....	169.7	194.3	123.7	136.7
1944....	183.8	213.7	125.7	138.4
1945....	182.7	215.2	128.6	139.9
1946....	180.3	211.1	139.5	141.4
1947....	198.7	233.3	159.6	144.1
1948....	223.5	259.0	171.9	146.6
1949....	216.3	258.2	170.2	149.2
1950....	239.2	284.2	171.2	151.1
1951....	277.6	329.2	185.9	154.4
1952....	290.4	346.3	189.8	157.0

¹U. S. Department of Commerce, Office of Business Economics.
²U. S. Department of Labor, Bureau of Labor Statistics.
³Including Armed forces overseas; 1950 figure is for April 1.

Taxes

Tax revenues for all governments, totaling \$79.1 billion in the fiscal year 1952, were 24 percent above the 1951 level. Federal tax collections were up 30 percent. State tax yields were up 10.3 percent, and local taxes 9.8 percent.

Tax revenues provided four-fifths of all revenue of the Federal Government but only two-

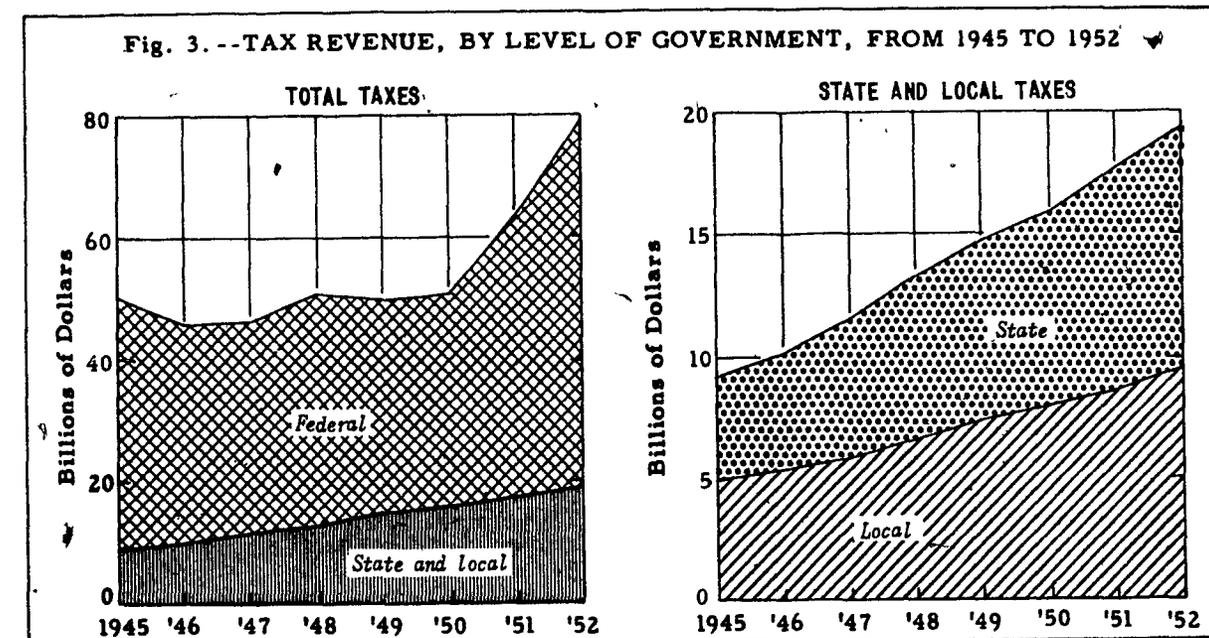
thirds of the revenue of State and local governments, exclusive of their receipts from Federal aid.

State and local taxes totaling \$19.3 billion were about equally divided between receipts from State government levies—chiefly on sales and income—and local levies, chiefly taxes on property.

Taxes, as defined for this report, are compulsory contributions exacted by governments for public purposes, except employee and employer assessments for retirement and social insurance purposes, which are classified as insurance trust revenue. Tax collections consist of tax amounts received and penalties and interest thereon, but net of refunds—which are substantial in the case of Federal income taxes and State motor fuel sales taxes.

Property taxes.—Property taxes—i.e., taxes conditioned on ownership of real or personal property and measured by its value—are not employed by the Federal Government, and they are of comparatively minor significance for State governments, accounting for only 4 percent of State tax revenue in 1952. However, property taxes yielded \$8.3 billion in revenue for local governments in 1952, 59 percent of all revenue of these units from local sources, and 71 percent of their general revenue from local sources.

Local property tax revenues almost doubled in the 10-year period from 1942 to 1952. After



relatively little change during the war years, property tax revenues began to rise rapidly, increasing each year between 1946 and 1952 by \$0.5 billion or more from the level of the preceding year.

In 1952, local property tax revenue was distributed as follows among the various types of local government:

All local property taxes.....	100.0%
Cities.....	38.0%
School districts.....	31.6%
Counties.....	22.2%
Townships.....	6.2%
Special districts.....	2.1%

For all types of local government except the special districts (which derive their revenues largely from charges for their services and utility sales), the property tax was the main local source of revenue for financing general government functions.

Income taxes.—Taxes on net income of individuals and corporations—including excess profits taxes—comprise the main tax sources of the Federal Government, yielding \$49.1 billion in Federal tax collections in 1952. Although not all State governments levy income taxes and State rates are far lower than Federal rates, the States obtained \$1.8 billion, or 18 percent of their tax revenue from taxation of incomes in 1952. Local government income taxes are levied by very few jurisdictions. Where used they are generally important revenue sources of the governments concerned, but the aggregate of local revenue from income taxes—including payroll taxes—was only \$93 million in 1952, almost entirely from city income and payroll taxes.

Income tax collections of State and local governments have increased substantially year by year throughout the last decade. Federal taxes from this source were, in 1952, six times the level of 1942. After rising sharply during World War II, Federal income tax collections—particularly corporation taxes—dropped off after 1945. Beginning in 1951 and continuing into 1952, however, Federal income tax collections climbed rapidly—involving in 1951 a 37 percent increase over 1950 and in 1952 another 37 percent increase over 1951—to reach a record level of Federal receipts from these sources.

Sales and gross receipts taxes.—The Federal Government, all 48 States, and a growing number of local governments obtain substantial revenues from taxes on sales and gross receipts. In addition to customs duties, Federal taxes of this nature are from excise taxes on a lengthy list of specific commodities and services. These Federal excise taxes and custom duties yielded \$9.3 billion, or 16 percent of Federal tax revenue in 1952.

All States levy sales or gross receipts taxes on sales of motor fuel and other specific commodities and services. In addition, 31 States had general sales taxes in 1952 which apply, subject to specific exceptions, to all types of goods, goods and services, or gross income. The States collected \$5.7 billion from their various sales taxes in 1952, 58 percent of all their tax revenue.

The employment of both general and selective sales taxes by local governments, chiefly cities, has grown rapidly in recent years. In 1952 local governments realized \$627 million from such taxes, as compared with only \$133 million ten years earlier. Sales and gross receipts tax collections of all governments in 1952 were distributed as follows (in millions of dollars):

Item	All governments	Federal	State	Local
All sales and gross receipts taxes.....	\$15,689	\$9,332	\$5,730	\$627
General sales, use, or gross receipts.....	2,597	.....	2,229	369
Customs duties.....	532	532	.....	.....
Selective sales and gross receipts.....	12,559	8,800	3,501	258
Motor fuels.....	2,590	720	1,870	(¹)
Alcoholic beverages..	2,991	2,549	442	(¹)
Tobacco products.....	2,014	1,565	449	(¹)
Other.....	4,964	3,966	740	258

¹Distribution not available; amounts included in "Other."

Other taxes.—Taxes other than those on property, income, or sales yielded governments \$3.7 billion in 1952. More than half of this sum was from death and gift taxes (\$1.0 billion) and State motor vehicle and operators license taxes (\$0.9 billion), with the remainder coming from a miscellany of tax measures, including licenses of various types.

Charges and Miscellaneous General Revenue

Nontax general revenue of governments, which is chiefly from charges for governmental services and from sales of products, provided \$10.2 billion in the fiscal year 1952, one-tenth of total governmental revenue. This total was distributed as follows (in millions):

Item	All governments	Federal	State	Local
Charges and miscellaneous general revenue.....	\$10,188	\$6,896	\$1,087	\$2,205
Charges for services (including sales of products).....	8,048	5,786	728	1,535
Special assessments.....	166	.....	.....	166
Interest earnings.....	546	326	126	94
Sale of property.....	411	341	18	55
Miscellaneous sources...	1,016	443	218	355

Revenue from charges for services, the largest component appearing above, is detailed below under "Governmental Revenue from Sales of Goods and Services." Charges for services are amounts received for performance of specific services benefiting the person charged and from sales of commodities and services other than utility and liquor store sales. Such receipts are included in governmental revenue on a gross basis without offset for cost of producing or buying the commodities or services sold.

Special assessments for capital outlay are used by local governments for financing certain types of permanent improvements. They are compulsory contributions levied against property owners benefited by specific public improvements (street paving, sidewalks, sewer and water lines, etc.) to defray the cost of such improvements and apportioned according to the assumed benefits to the affected properties. Special assessment financing was widely used by local governments in the 1920-1930 decade, but was much less commonly resorted to thereafter until the last few years. Special assessment receipts have climbed from \$111 million in 1950 to \$139 million in 1951, and now \$166 million in 1952.

General revenue from interest earnings consists of interest on governmental loans and on securities held by governments, other than on assets of employee retirement and social insurance funds. The latter is classified as insurance trust revenue rather than general revenue.

General revenue and insurance trust revenue from interest earnings are brought together and discussed below. General revenue from interest derives chiefly from assets of sinking funds and trust funds other than insurance trust funds, investments of temporary surpluses of other governmental funds, and various types of governmental loans. It excludes interest on intragovernmental loans, such as interest receipts by the U.S. Treasury on funds advanced to Federal business enterprises, but includes revenues from interest on formal debt obligations of a government held as investments by agencies or funds of the same government.

Governmental revenue from sale of property, which is significant chiefly for the Federal Government, comprises receipts from disposal of real property and improvements, but not receipts from sale of personal property or of financial assets.

Miscellaneous general revenue sources consist largely of fines, forfeits and penalties, royalties, and donations and unclaimed moneys, plus amounts not allocable by specific source in the classification of data for this report.

Utility and Liquor Stores Revenue

Sales receipts of State and local liquor stores and local water, electric, gas, and transit utilities amounted to \$3.1 billion in 1952, or 11 percent of governmental revenue from State and local sources. Such revenues are, of course, largely offset by the cost of purchasing or producing the commodities and services sold, and only any net difference between sales revenue and the cost of producing this revenue would be available for financing other types of governmental services. There are, in addition to the specific activities listed above, numerous other revenue-producing activities at all levels of government which are not classified as utilities in this report. These are indicated below under "Governmental Revenue from Sales of Goods and Services."

Insurance Trust Revenue

Contributions of employees and employers for social insurance and employee retirement and earnings on assets of social insurance and retirement funds aggregated \$8.7 billion in 1952, 12 percent more than in 1951 and 8.6 percent of total governmental revenue. This rapidly growing field of governmental activity is distinguished sharply from general government

functions and from utility activities by its characteristic accumulation of large reserves for the payment of future benefits and the maintenance of individual accounts to determine the entitlement of specific individuals to insurance-type benefits.

With many governmental insurance trust systems still in a developmental stage and high economic levels resulting in a relatively limited level of unemployment compensation, total insurance trust revenue in 1952 exceeded total insurance trust expenditure by \$3.2 billion. Inclusion of this sector is an important factor, therefore, in the approximate balancing of total governmental revenue and expenditure in 1952.

Approximately 87 percent of insurance trust revenue in 1952 came from contributions by employees, other ultimate beneficiaries, and employers. These amounts exclude contributions or other financial support from governments to insurance funds they administer. They do, however, include employer contribution amounts from governments other than the administering government, such as local government contributions to State-administered retirement systems (\$123 million in 1952) and State and local employer contributions to the Federal Old Age and Survivors Insurance Fund (\$26 million in 1952).

The remaining 13 percent of insurance trust revenue derives from earnings on investments of accumulated reserves of insurance funds. These investments and the earnings thereon include substantial sums, particularly for the Federal Government, relating to securities of the government held by its own insurance funds.

Following is a distribution of insurance trust revenue by source of revenue and by insurance program (in millions):

Insurance trust revenue	All governments	Federal	State	Local
Total, all systems:				
Contributions.....	\$7,534	\$5,183	\$2,171	\$181
Earnings.....	1,175	803	292	81
Employee retirement:				
Contributions.....	1,067	418	473	176
Earnings.....	374	189	105	80
Unemployment compensation:				
Contributions.....	1,448	10	1,433	4
Earnings.....	164		163	1

	All governments	Federal	State	Local
Insurance trust revenue				
Old age and survivors insurance:				
Contributions.....	3,547	3,547		
Earnings.....	334	334		
Veterans' life insurance:				
Premiums.....	473	473		
Earnings.....	201	201		
Railroad retirement:				
Contributions.....	735	735		
Earnings.....	79	79		
Workmen's compensation, disability, and sickness insurance:				
Contributions.....	263		263	
Earnings.....	23		23	

¹Interest on securities of the United States Government.

Insurance trust systems included above relate only to publicly administered plans. In the field of workmen's compensation insurance, many States provide for coverage of employees by commercial insurers rather than themselves administering the funds.

It should be noted further that, except in the case of Federally administered railroad unemployment insurance, unemployment compensation insurance has been classified as a State government and local government (District of Columbia) activity. Federal transactions relating to the operation of these systems (i.e., those arising from the use of the U.S. Treasury as depository for State fund balances) are treated as fiscal agency transactions and omitted from the Federal finance statistics in this report.

EXHIBIT CATEGORIES OF REVENUE

Governmental Revenue from Sales of Goods and Services

In the foregoing discussion, general revenue from charges for services and sales has been sharply distinguished from revenue from liquor store and local utility sales. Here the two are combined to show the magnitude and distribution of such charges and receipts, because these types of revenue are often considered to be offsets to governmental expenditures for activities of a wholly or partially self-sustaining nature.

For the Federal Government, all such receipts have been classified as general revenue. The total of \$5.8 billion received by the Federal Government comprises numerous items of a highly diverse nature, including postal receipts, receipts from sales (other than to Federal agencies) by the Commodity Credit Corporation, the Reconstruction Finance Corporation, and other government corporations, rental receipts from Federal housing projects, insurance premiums for housing insurance, reimbursement of appropriations from proceeds of sales (the largest such item in 1952 being \$66 million from sales of strategic and critical materials), charges for subsistence and quarters collected from government personnel, advances from foreign governments for purchase of military and other supplies, equipment and services, and many other items.

Gross Federal revenue in fiscal 1952 from sales of goods and services is detailed below in terms of the governmental functions involved:

Function or item	Amount (in millions)
All functions.....	\$5,786
National defense (chiefly sales to military personnel, sale of strategic and critical materials, and reimbursements from contractors working on defense projects for government materials used).....	340
International assistance and foreign affairs (chiefly advances from foreign governments for procurement of supplies, materials, and services).....	306
Postal service.....	1,967
Hospitals.....	28
Natural resources.....	1,221
Commodity Credit Corporation sales (including acquisition of loan collateral).....	800
Power project sales.....	186
Other, including crop and farm mortgage insurance premiums.....	235
Housing.....	178
Insurance premiums.....	85
Project rentals and other income.....	94
Nonhighway transportation.....	109
Canals and waterways.....	88
Railroads.....	21
Miscellaneous:	
Defense materials procurement agency.....	796
R.F.C. lending, production and liquidation programs.....	648
All other.....	193

State and local revenue from sales of goods and services, including both general revenues of

this nature and liquor store and local utility amounts, totaled \$5.4 billion in 1952, and was distributed by function as follows (in millions):

Item	Total	State	Local
Total.....	\$5,402	\$1,652	\$3,751
General revenue from sales of goods and services.....	2,262	728	1,535
Education:			
Commercial activities of institutions of higher education.....	240	240	(¹)
Other.....	393	141	253
Highways:			
Toll facilities.....	149	64	85
Regular highways.....	18	8	10
Hospital facilities.....	316	97	218
Natural resources.....	135	74	61
Sanitation.....	175		175
Housing.....	231		231
Nonhighway transportation:			
Water transport and terminal facilities.....	88	18	70
Air transportation.....	36	2	34
Other.....	4		4
Local parks and recreation....	39		39
Other general revenue.....	438	84	355
Utility and liquor store revenue.	3,140	924	2,216
Liquor store.....	1,069	924	145
Water supply system.....	839		839
Electric power system.....	683		683
Transit system.....	479		479
Gas supply system.....	70		70

¹Minor amounts included in "other."

Interest Earnings

Interest earned on governmental deposits and investments also cuts across the distinction between general revenue and other types of governmental revenue. For convenience, figures on this type of revenue are brought together in the following tabulation (in millions):

Item	All governments	Federal	State	Local
Total.....	\$1,722	\$1,129	\$418	\$175
General revenue from interest earnings.....	546	326	126	94
Earnings of insurance trust funds.....	1,175	803	292	81

As indicated in table 10, a major portion of all cash and security holdings of State and

local governments is in the form of interest-bearing Federal securities or deposits and securities of State and local governments, including those of the investing government. Moreover, practically all interest earnings of Federal insurance trust funds are from Federal securities. The bulk of the interest earnings shown above, therefore, is received from governments rather than from other sectors of the economy, and \$803 million of the Federal amount, as well as an undetermined but significant portion of the State and local amounts, represent interest on securities held by trust or other funds of the issuing government itself.

Intergovernmental Revenue

Most of the foregoing discussion has dealt with revenues of particular types of government from their own sources, without regard to intergovernmental transfers they may receive. Aggregate intergovernmental revenue (or expenditure) totaled approximately \$8 billion in 1952. The incidence of these transfers importantly changes the pattern of distribution of resources actually available for "final" expenditure by various levels of government.

For the Federal Government, the amounts involved represent a relatively small portion of the financial picture. The Federal Government received \$66.6 billion from general Federal sources in 1952 (i.e., excluding insurance trust revenue), and transferred \$2.6 billion to State and local governments, leaving \$64.1 billion of 1952 general revenue for "own" Federal Government purposes:

The State government role, however, was more complex. The States received \$10.9 billion from their own general revenue sources (i.e., excluding liquor store and insurance trust amounts), to which the Federal Government and local governments added \$2.5 billion. In turn, the States distributed \$5.0 billion to their local governments so that the net general revenue available for direct State expenditure for "own purposes" was only \$8.4 billion.

Local governments raised from local sources \$11.7 billion of general revenue in 1952 (excluding utility and insurance trust revenue). Grants-in-aid, shared revenues, and reimbursements from the States, the Federal Government, and other local governments provided an additional \$5.3 billion. In turn, local governments distributed to their State governments and to other local governments almost \$0.5

billion, leaving them with a net amount of general revenue available for local expenditure of \$16.5 billion.

In summary terms, the distribution of governmental general revenue before and after intergovernmental transfers was as follows:

Item	Total	Federal	State	Local
General revenue from own sources.....	100.0%	74.7%	12.3%	13.1%
General revenue for own purposes.....	100.0%	72.0%	9.4%	18.5%

EXPENDITURE BY CHARACTER AND OBJECT

Governmental expenditure aggregated \$101.5 billion in fiscal year 1952 of which direct expenditure of the Federal Government accounted for \$70.6 billion or 70 percent. Direct expenditure of State governments totaled \$10.8 billion, and that of local governments \$20.1 billion. These are expenditure amounts for "own purposes" of each level of government. The Federal Government disbursed an additional \$2.6 billion in payments to State and local governments, the State governments paid \$5.0 billion to local governments, and local governments paid nearly \$0.2 billion to the States.

As shown in this report, governmental expenditure basically consists of all moneys paid out by governments to individuals or external agencies—net of recoveries and other correcting transactions—other than for retirement of debt, investment in financial assets, or extension of loans. With some relatively minor exceptions, internal transfers from fund to fund are excluded and aggregates for groups of governments exclude intergovernmental transactions between the governments involved. Since government is defined to include all public agencies, corporations, and funds, the governmental expenditure total includes (on a gross basis) the ultimate payments made by governmental enterprises and trust funds.

Current Operation

Of all public spending in the fiscal year 1952, more than half—\$56.1 billion—was for current operation. Such expenditure includes pay of military and civilian employees, purchase of goods and services used in the performance of various governmental functions, and

purchase of goods for resale by governmental activities. The Federal Government accounted for \$37.6 billion or two-thirds of the total for all governments. Included in this figure is \$8.3 billion for pay and allowances for armed forces personnel, \$4.2 billion for pay of civilian employees of the defense establishment, and \$14.5 billion for supplies, materials, and other current operation expenditure for national defense. The pay of Federal civilian employees engaged in nondefense functions totaled \$5.2 billion in 1952. Other operation expenditure of the Federal Government—i.e., for supplies, materials and current contractual services other than for defense purposes—amounted to \$5.3 billion. This includes substantial amounts of purchases for military and economic assistance in kind to foreign governments, of purchases of agricultural commodities for farm price support, and of purchases of defense materials and other commodities for stockpiling and resale, as well as spending for commodities, materials, and services directly used in the performance of governmental functions.

State and local governments spent \$18.6 billion for current operation in 1952. Almost two-thirds of the total was for pay of State and local employees, and the balance was primarily for supplies, materials, and services needed for the performance of governmental

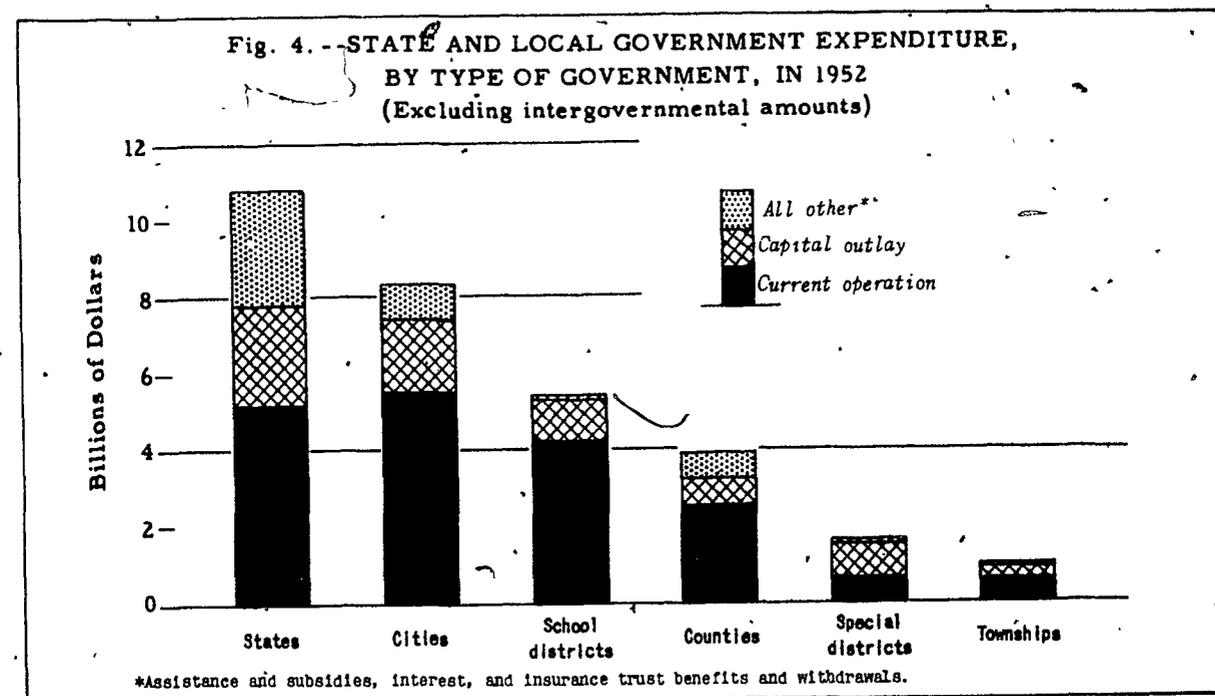
functions. Other than liquor purchased for resale in State and local liquor stores and electric power purchased for resale by local electric utilities, State and local purchases for resale are relatively minor.

Capital Outlay

Governmental expenditure for capital outlay—construction, equipment, and purchase of land and structures—aggregated \$24.9 billion, or one-fourth of total governmental expenditure, in 1952. A substantial portion of this total, \$12.6 billion, was accounted for by Federal purchases of military equipment—planes, ships, weapons, and the like—and military construction.

Capital outlay, as defined for this report, consists of direct expenditure for purchase or construction, by contract or force account, of buildings and other improvements and for purchase of land and of equipment. Expenditure for equipment consists of amounts for purchase and installation of apparatus, furnishings, motor vehicles, office equipment and the like, including Federal expenditures for military equipment, ship construction, and other durable apparatus other than buildings and other fixed structures.

Construction expenditure for all governments, totaling \$9.7 billion in 1952, includes



\$9.1 billion in contract construction (i.e., construction by private contractors) and \$0.6 billion in State and local force-account construction (i.e., direct construction with State and local forces and materials), as well. It has not been possible to identify and include here Federal expenditures for force-account construction; such amounts are included in Federal current operation expenditure. Neither was it possible from the sources utilized to identify and separate Federal expenditure for land purchases; such spending is included in the construction figures.

Subject to these limitations, governmental expenditure for capital outlay in 1952 can be distributed as follows (in millions):

Item	Total capital outlay	Construction ¹	Equipment	Land and existing structures ²
All functions.....	\$24,873	\$9,723	\$14,684	\$467
Defense (Federal only)...	12,614	1,394	11,221	.....
International assistance and foreign affairs (Federal only).....	2,427	31	2,396	.....
Education.....	1,725	1,466	183	75
Highways.....	2,730	2,376	132	222
Hospitals.....	513	450	48	15
Natural resources (including atomic energy)...	2,040	1,803	227	11
Sanitation.....	491	469	17	5
Housing and community redevelopment.....	645	579	8	57
Local utilities.....	678	581	59	37
All other.....	1,010	574	393	45

¹Including Federal purchases of land and structures.

²State and local only.

Assistance and Subsidies

In addition to payments for goods, services, and capital items, total governmental expenditure includes sizable amounts of payments for which no services or products are directly received in return. A major portion of such payments comprises items here reported as assistance and subsidies, and altogether amounting to \$8.4 billion in the fiscal year 1952. Although the Federal Government accounted for most of this sum—\$5.9 billion—State and local payments for assistance and subsidies also were substantial—\$2.5 billion. Practically all of the State and local amount involved public assistance programs for aid to the aged, dependent children, the blind and other special classes,

and general relief. Federal expenditure for assistance and subsidies, however, was considerably more diverse, including such items as cash payments for international assistance, veterans' pensions, grants to territories and possessions, airmail and merchant marine subsidies, and grants for hospital construction to nonprofit, nongovernmental institutions.

Following is a distribution of governmental expenditure in 1952 for assistance and subsidies, by major program (in millions):

Program	All governments	Federal	State and local
Total.....	\$8,387	\$5,916	\$2,471
International assistance.....	1,224	1,224	.....
Education (largely veterans' educational benefits).....	1,197	1,172	25
Public welfare (largely public assistance).....	2,276	11	2,266
Natural resources (largely agricultural benefits).....	407	406	2
Veterans' pensions, bonuses, and other noneducational benefits.....	2,410	2,282	128
All other.....	873	821	51

It should be noted that these figures include only cash grants and not gifts of supplies, materials, or other grants in kind. The cost of items to be distributed in kind is included in current operation expenditure as purchases of goods and services.

Interest on Debt

Total interest payments on governmental debt aggregated \$6.6 billion in 1952, of which approximately 89 percent was paid out by the Federal Government. State governments accounted for only one-fifth of the remaining 11 percent, and local governments for the rest. The local government total includes \$172 million paid on utility debt as well as \$408 million for local government general debt.

Interest on debt includes amounts paid to all holders of governmental securities even though the owners may be funds or agencies of the government making the interest payments or of other governments (see discussion of interest earnings above). About \$803 million or 14 percent of Federal expenditure for interest was received by Federal insurance trust funds whose investments consisted of Federal securities.

An undetermined but significant portion of State and local expenditure for interest went to various funds of the paying government.

Insurance Trust Benefits and Withdrawals

Insurance trust expenditure—i.e., benefit payments and refunds of contributions of insured persons—totalled \$5.5 billion in 1952, about two-thirds being Federal payments and one-third State and local payments. These amounts are limited to actual payments to insured persons and therefore exclude (as internal transfers) government contributions to insurance trust funds they administer, and costs of administering insurance trust programs (which are classified as general expenditure).

Insurance trust payments represent another major class of income transfers administered by government. They are distinguished from assistance and subsidy payments, however, in that the recipients have acquired a contractual right to the benefits they receive through their own previous contributions or through contributions made on their behalf by their employers. The various governmental programs classified as insurance trust activities are discussed below under "Insurance Trust Expenditure."

Expenditure for Personal Services

Payments for salaries and wages of government employees cut across the classification of expenditure by character described above, since such employees may be engaged either in current operation activities or in force-account construction work. The total of payroll expenditure, by governments, was \$29.8 billion in the fiscal year 1952, including pay and allowances for armed forces personnel amounting to \$8.3 billion. These expenditure figures, however, are limited to cash payments; they do not include the value of subsistence, quarters, or other payments in kind made to military personnel. The cost of such items is included in governmental expenditure for supplies, materials, and other purchases of goods and services.

Personal services expenditure consists of gross amounts paid to government employees before deductions for income tax, retirement contributions, charges for quarters or subsistence, or other purposes.

Public civilian payrolls totalled \$21.4 billion for fiscal 1952, of which \$9.4 billion was for the Federal Government and \$12.0 billion

for State and local governments. In October 1952, the number of civilian employees on governmental payrolls totaled 7.1 million. Following is a summary functional distribution of number of governmental civilian employees as of October 1952 and civilian payrolls for the fiscal year 1952:

Item	Number of employees October 1952 (in thousands)			Payroll for fiscal year 1952 (in millions of dollars)		
	All	Federal	State and local	All	Federal	State and local
Total.....	7,105	2,588	4,522	21,428	9,281	12,045
National defense.....	1,309	1,309	.....	4,151	4,151	.....
Postal service.....	525	525	.....	1,924	1,924	.....
Education.....	1,883	11	1,873	5,060	55	5,005
Highways.....	460	4	456	1,232	20	1,212
Health and hospitals.....	589	157	432	1,620	578	1,042
Local utilities.....	227	.....	227	793	.....	793
All other....	2,112	577	1,534	6,646	2,654	3,993

Intergovernmental Expenditure

The foregoing analysis has dealt almost entirely with direct expenditure of the various governmental levels. To avoid duplicate counting of expenditure in governmental aggregates, transfers between governments have been omitted. Such transfers, however, are highly significant in the financing of governmental operations and must be taken into consideration in comparing revenues with expenditures for particular governments or types of governments, and in considering the total magnitude of expenditure by an individual government or type of government.

Intergovernmental expenditure consists of grants-in-aid, shared taxes, payments in lieu of taxes, and reimbursements for services as between governments. The aggregate of such transactions exceeded \$8 billion in 1952. The Federal Government receives some amounts of revenue from State and local governments as reimbursement for Federal services or State and local shares in the cost of jointly sponsored projects. However, since such transactions are negligible in the total scale of Federal financing and are difficult to identify, they have been ignored in this report. On the other hand,

the Federal Government distributes substantial sums to State and local governments for a variety of purposes.

The following types of Federal payments to State and local governments were made in 1952 (in millions):

Item	Total	To States (including sums redi- tributed to local gov- ernments)	Directly to local govern- ments
Total.....	\$2,585	\$2,348	\$237
Grants-in-aid.....	2,212	2,092	120
Shared revenues.....	35	31	4
Payments in lieu of taxes...	8	2	6
Payments for services, total.....	322	223	99
Scientific research and development.....	96	96	2
Tuition payments.....	202	120	82
Other.....	22	7	14
Other payments.....	8	.....	8

It should be noted that these figures exclude loans and contributions of commodities or other aids in kind, which are excluded from the definition of expenditure as used in this report. They also exclude payments to territories and possessions.

State governments, in turn, made payments to their local governments totaling \$5.0 billion in fiscal 1952. This is nearly half as much as total direct State expenditure. Almost all State intergovernmental expenditure is made through grant-in-aid or revenue sharing programs, with only about \$36 million in 1952 being reimbursement of local governments for services performed for the States.

The volume of local government expenditures to other governments is only a small fraction of the Federal and State amounts for such purposes, amounting in 1952 to \$156 million of local-to-State and an estimated \$319 million of local-to-local payments.

Intergovernmental payments, by function and level of government, are detailed in table 12.

EXPENDITURE BY FUNCTION

The foregoing discussion has been concerned mainly with the forms of governmental expenditure (see table 4) rather than the purposes for which expenditures are made. Table 5 of this report shows the distribution of expenditure by governmental function and by type of government.

General Expenditure

As indicated in the section on concepts and terminology, governmental expenditure is divided in this report into three major areas: General expenditure, utility and liquor store expenditure, and insurance trust expenditure. The first category, general expenditure, comprises all expenditure other than specifically indicated kinds of spending for State and local liquor stores, local water, electric, transit, and gas utilities, and benefit and refund payments of public employee retirement and other social insurance systems.

General expenditure of all governments totaled \$92.9 billion or 92 percent of total spending for all purposes. The major functions accounting for general expenditure are discussed below in the order of magnitude of 1952 expenditure, which differs somewhat from their order of presentation in table 5.

National defense.—The military accounted for far the largest component of governmental expenditure in 1952. National defense expenditure of the Federal Government totaled \$40 billion, more than one-half of all Federal expenditure and about two-fifths of total expenditure for all governments—Federal, State, and local.

As indicated above in the discussion of government expenditure for operation and capital outlay, nearly two-thirds of national defense expenditure in 1952 was about evenly divided as between pay for personal services (mainly for armed forces) and capital outlay (mainly procurement of ships, aircraft, weapons and other equipment). One-third was for supplies, materials, and other goods and services and for assistance and subsidy payments.

The national defense category is strictly defined and comprises herein essentially the activities and items classified as "national defense" in the U.S. Budget—mainly the military functions of the Department of Defense, but including also stockpiling of strategic or critical materials and some defense services of agencies other than the Defense Department.

Defense-related activities of State and local governments (including national guard, civil defense and armory activities involving State spending totaling \$45 million in 1952) have been classified elsewhere, so that in this report defense expenditure is entirely that of the Federal Government.

It is to be noted that many activities and expenditures of the Federal Government reported under other functional categories are closely related to current or previous defense efforts. Items which might be so viewed include international assistance and foreign affairs (\$5.2 billion), veterans' benefits and services (altogether, \$5.9 billion, as described below under "Veterans' services..."), interest on debt (\$5.9 billion, largely for debt incurred to finance World War II), and atomic energy development (\$1.6 billion, classified here as natural resources expenditure), as well as civil defense, economic stabilization activities, and other defense-related operations of numerous agencies and departments.

Education.—The second largest function of government in scale in 1952 was education, for

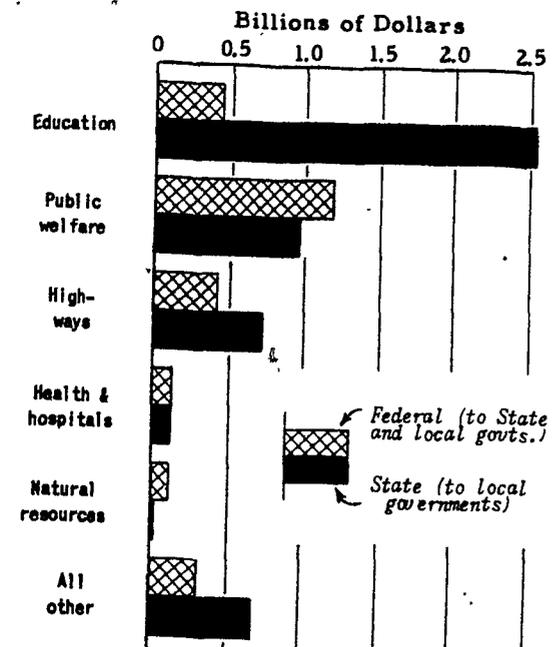
which \$9.6 billion was spent. Substantial expenditure for education was made by each governmental level but the kinds of educational services rendered at the various levels differed markedly in nature.

Direct Federal spending for education—\$1.3 billion in 1952—was primarily for veterans' educational benefits. Only payments to individual veterans and to private institutions for veterans' education are counted here as Federal expenditures. Tuition paid to State and local schools constitutes an intergovernmental transfer, so that State and local expenditure for higher education and elementary and secondary schools reflects the cost of educational services (rather than cash benefits) provided for veterans. Other direct Federal expenditures for education consist primarily of the cost of administering educational grant programs and other activities of the U.S. Office of Education, some direct Federal construction of local schools under the school construction program, the cost of agricultural commodities distributed for the school lunch program, operation of schools for Indians and persons living on Federal reservations, and expenditures for Howard University in Washington, D. C.

In addition to its direct spending for education, the Federal Government made payments for this function to State and local governments totaling \$437 million in 1952.

State direct expenditure for education—\$1.5 billion in 1952—was chiefly for State institutions of higher education. The total includes gross expenditure for auxiliary commercial activities (dormitories, dining halls, bookstores, etc.) operated by such institutions, which aggregated \$222 million in 1952. State higher education expenditure excludes interest on institutional debt (classified as State expenditure for interest), hospitals operated by State universities (classified as hospital expenditure), and agricultural experiment stations and extension services and atomic energy research (classified as natural resources expenditure). In addition to higher education, the States disbursed \$115 million in 1952 as direct expenditure for elementary and secondary schools, chiefly payments by the State of North Carolina for salaries of teachers there paid directly by the State government rather than by local governments as is usually the case. State

Fig. 5. -- INTERGOVERNMENTAL EXPENDITURE BY FEDERAL AND STATE GOVERNMENTS IN 1952



supervision of education, State schools for the handicapped, and special educational programs accounted for the remainder of State education expenditure in 1952.

In addition to this \$1.5 billion of direct expenditure for education in 1952, the States distributed \$2.5 billion in aid to local governments for education—one-half of the total of State aid for all purposes.

Local governments spent \$6.8 billion for education in 1952. The large 1952 volume of school construction and other capital outlays accounted for \$1.4 billion of the total and the remainder was for current educational expenses. While elementary and secondary schools account for most local education expenditure, some institutions of higher education are maintained by local governments and certain local expenditures are made for supervision of education.

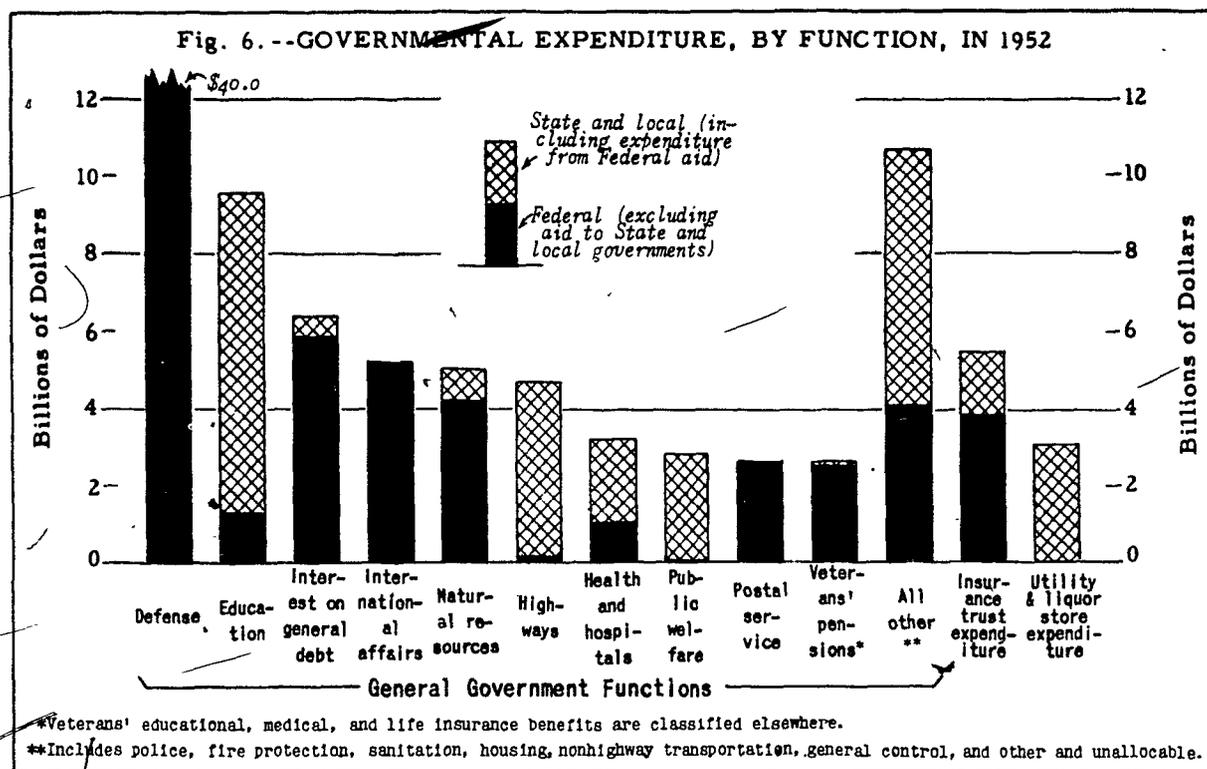
Education expenditure as classified herein includes all expenditures made by local school systems other than interest on debt, inter-governmental payments, and retirement benefits paid to former education employees. Inter-governmental expenditure between local governments for education totaled \$220 million in 1952 and consisted largely of city and county government support of separately administered

schools (school districts) and of district-to-district payments for tuition, transportation, and other services.

Interest on general debt.—Payments of interest on general debt ranked next to education in size of governmental expenditure in 1952. Approximately \$6.4 billion was spent for this purpose (not including the \$172 million of interest on local utility debt classified herein as part of utility expenditure).

Interest expenditure is reported here without any offset for interest earnings and constitutes gross amounts paid for interest to holders of governmental bonds, notes, and other evidences of debt. It does not include interest paid to individuals on savings deposits (i.e., postal savings accounts, and savings deposits of military personnel) nor does it include interest on tax refunds, or on loans or advances between funds of the same government (e.g., advances to government business enterprises and revolving funds).

International assistance and foreign affairs.—During World War II and for most of the postwar years, military and economic assistance to foreign countries has been an integral part



of American foreign policy which has resulted in substantial expenditures for the Federal Government. These expenditures, plus the cost of administration of foreign affairs, totaled \$5.2 billion in 1952. The greater part of this amount was for the cost of supplies, materials, and equipment distributed chiefly as military aid. Such expenditures have been classified here according to the nature of the purchases (i.e. equipment or goods and services) rather than as cash assistance or transfer payments. In accordance with the definition of expenditure used herein, loans to foreign governments are not included in the expenditure total. Expenditures, however, do include the cost of goods, services, and equipment purchased and furnished to foreign governments from moneys advanced by them.

Natural resources.—Conservation and development of natural resources—agricultural, forest, mineral, atomic energy, electric power, and the like—accounted for \$5 billion of governmental expenditure in 1952. Spending on the atomic energy program was \$1.7 billion, of which more than half was for construction of plant and purchase of equipment. Federally reimbursed atomic energy research and development activities in State universities (\$32 million of expenditure in 1952) are classified here as State government expenditures; related Federal reimbursements are classified as Federal-to-State payments and, therefore, omitted in developing all-government totals.

Farm price stabilization programs, chiefly commodity purchases for price support, accounted for \$631 million of expenditure in 1952. This includes the cost of acquiring commodities without any offset for commodities resold to private buyers during the year, but does not include commodity loans extended for price support purposes or expenditure for commodities consumed by the government in carrying out other functions (i.e., used by the military, distributed under the foreign aid program, distributed under the school lunch program, etc.).

The remaining \$2.7 billion of natural resources expenditure includes farm crop and mortgage insurance and other farm credit activities; other aids to agriculture and agricultural research activities; multi-purpose power and reclamation projects, such as the T.V.A., and projects of the U.S. Bureau of Reclamation and Army Corps of Engineers; Federal, State,

and local irrigation, drainage, reclamation, flood control, soil conservation, forestry, and mineral resources activities; and other activities relating to resources conservation and development, including Federal and State parks. (It should be noted that a distinction is drawn between Federal and State park facilities on the one hand and city and other local recreation and park facilities. The former are closely associated with conservation of resources whereas the latter are more explicitly for recreational purposes. Local recreation and park expenditures are not included here in the natural resources classification.)

Highways.—Provision and maintenance of highway facilities, including toll turnpikes, bridges, and tunnels and ferries as well as regular State and local highways and city streets, required \$4.7 billion in public expenditure in 1952. Although the Federal Government provides substantial grants for financing of State and local highways (\$415 million in 1952), its direct expenditures for this purpose totaled only \$64 million in 1952.

The State governments, in turn, provide substantial financial assistance to local governments for highway purposes (\$734 million in 1952), but direct State expenditure for highways accounts for well over half the total spent by all governments for this function.

The local governments, with substantial financial assistance from the States, spent \$2.1 billion for highway purposes in 1952. As indicated above, about one-third of this total was financed from State grants.

More than one-half of public expenditure for highways in 1952 (\$2.7 billion out of \$4.7 billion) was for capital purposes—construction, equipment, and land purchases. The remainder was for maintenance expenditure. These figures on highway expenditure do not include interest on debt issued for highway purposes, (included instead in general expenditure for interest), nor highway police costs (classified under "police").

The provision of toll highway facilities through establishment of State authorities has been growing in recent years. In 1952, \$368 million was spent by State and local governments for construction and operation of such facilities. However, the operation of toll facilities, as distinguished from construction and other capital expenditures, accounted for

only \$52 million of this amount. At the same time, toll charges, which of course are generally set to cover debt service as well as operation costs, brought in \$149 million during the year.

Public welfare.—As used in this report, the term public welfare is limited to governmental activities for institutional and non-institutional assistance to the needy, and administration of such assistance. Approximately \$2.8 billion was spent by governments for such purposes in 1952.

As in the case of highways, there is extensive Federal participation in public welfare through grants to the States for public assistance (\$1.2 billion in 1952) but direct Federal expenditure for programs for the needy is very minor (\$42 million in 1952).

The individual States vary as to whether they undertake to provide directly for public welfare activities or whether they delegate this responsibility to local governments, furnishing grants-in-aid for the State share of the cost. In 1952, the States spent directly \$1.4 billion for public welfare and passed on \$1.0 billion to local governments (including moneys from Federal sources), thus providing the major portion of the total of local government expenditures for public welfare, also \$1.4 billion.

The "categorical" public assistance programs—old-age assistance, aid to dependent children, aid to the blind, and aid to the disabled—accounted for almost three-fourths of all public welfare expenditure in 1952. General relief, which is wholly financed from State and local sources, accounted for only one-ninth of the welfare total. The remaining \$469 million spent in 1952 was primarily for administration of welfare and for institutional care of the needy.

The figures herein for categorical assistance programs comprise only cash payments to beneficiaries; general relief includes current operation expenditure for commodities and services (e.g., vendor payments) furnished to the needy, as well as cash payments to beneficiaries. All administration costs are included in the classification "other public welfare."

Postal service.—Without offset for postal revenues, expenditures by the Federal Government for the postal service in 1952 totaled \$2.6 billion. This figure is included on a gross basis in the development of Federal expenditure totals in contrast to the usual practice of including only the net postal deficit. As classified here, expenditures for postal services do not include subsidies to airlines, which are classified as subsidy payments for air transportation under "nonhighway transportation."

Outside the area of national defense, the postal service constitutes the largest operating function of the Federal Government in terms of employment of personnel and performance of direct services. The \$1.9 billion expended in 1952 for wages and salaries of postal workers, for example, was more than twice as large as the personal services cost of any other nondefense Federal function.

Veterans' services, not elsewhere classified.—Ranking slightly below the postal service in total 1952 amount, expenditure for veterans' services not rendered as part of other governmental functions (i.e., excluding educational benefits, medical services, hospitals, and life insurance payments), amounted to \$2.6 billion in 1952. Principally comprising Federal payments for compensation and pensions of veterans, this category also includes about \$146 million for Federal administration of veterans' affairs and \$142 million of State government expenditure (including \$128 million of bonus payments). While relatively small in 1952, State payments for veterans' bonuses and services have been of considerable magnitude since World War II, totaling \$2.2 billion during the period 1946 through 1952.

The classification of veterans' benefits and services used in this report differs from that sometimes found (for example, in the U.S. Budget) where all such amounts are grouped together, regardless of the function or form of benefit involved. On that alternative basis, a total of \$5.9 billion would appear as representing identifiable expenditure specifically for veterans in 1952 by all levels of government, and amounts for certain other categories would be correspondingly reduced. Following is a distribution of this over-all total,

showing where amounts are included under various functional categories in this report:

Function	Amount (In millions)
Total.....	\$5,870
General expenditure:	
Education.....	1,394
Public welfare.....	31
Health.....	151
Hospitals.....	651
Veterans' services, not elsewhere classified (described above).....	2,570
Insurance trust expenditure (life insurance benefits and premium refunds).....	1,073

Hospitals.—Public hospitals accounted for \$2.5 billion in governmental expenditure in 1952, of which \$0.5 billion was for constructing and equipping new facilities and the remainder for hospital operation and maintenance.

The Federal Government accounted for about three-tenths of direct expenditure for hospitals in 1952, spending \$651 million for veterans' hospitals and \$63 million for other Federal hospital facilities. However, these figures do not include an additional \$65 million in hospital construction grants to private nonprofit institutions and to territories and possessions (classified under "health" rather than "hospitals") nor the \$57 million granted for hospital construction to State and local governments, which is treated as an intergovernmental transfer. Hospitals expenditure shown in this report is limited to operation, maintenance, and construction of publicly owned hospital facilities.

State and local governments spent \$1.7 billion for hospitals in 1952—\$1.0 billion for the States and the rest for local governments. Hospital construction by State and local governments totaled \$351 million, of which one-sixth was financed from Federal grants.

General control.—For the functions of governmental chief executives and their staffs, legislative bodies, administration of justice and financial and other general administration, governments spent \$1.8 billion in 1952.

At the Federal level, such expenditures—which are about three-fourths for financial administration—accounted for only 0.9 percent of

total Federal expenditure. The proportion was substantially higher for States (3 percent) and local governments (4 percent).

Police.—Federal, State, and local police protection cost \$1.1 billion in 1952. The bulk of this amount—\$833 million—was expended by local governments, mainly cities. Federal expenditure of \$141 million was primarily for the Federal Bureau of Investigation, Immigration and Naturalization Service, Bureau of Narcotics, and Secret Service. State expenditure of \$106 million was chiefly for highway police activities.

Although commonly regarded as a major governmental function, police protection accounted for only 4 percent of expenditure for all functions even at the local government level.

Sanitation.—The provision of sewerage facilities and collection and disposal of trash, garbage, and other debris—almost exclusively a function of local government associated with urban living—involved local government expenditure of \$1.0 billion in 1952, including \$469 million for construction. Nearly one-eighth of all sanitation expenditure was by special districts, reflecting the use of this device to deal with problems of providing adequate sanitary facilities in some metropolitan centers and for suburban communities in some unincorporated areas.

Nonhighway transportation.—In addition to highway facilities (discussed above) and local transit utilities (see below) governments provide other transportation facilities and services, involving expenditure of more than \$0.9 billion in 1952, as summarized below (in millions):

Item	All govern- ments	Federal	State and local
Total.....	\$945	\$713	\$232
Water transport and terminal facilities.....	579	470	109
Air transportation.....	314	207	106
Other nonhighway transportation...	53	36	17

The Federal Government has several business enterprises of substantial size in the field of nonhighway transportation. These include the

Panama Canal, Alaskan Railroad, and Inland Waterways Corporation. For such agencies, this report includes expenditure amounts without offset for revenues from operations (\$109 million in 1952). In addition, large Federal expenditures are made for facilitating air transportation, subsidizing ship construction and merchant marine operations, and such aids to water transportation as the Coast Guard, and Coast and Geodetic Survey services. The total of Federal expenditure for nonhighway transportation in 1952 was \$713 million. This does not include the regulatory function of the Interstate Commerce Commission and the Civil Aeronautics Board, classified elsewhere.

State and local government nonhighway transportation services involved gross expenditure of \$232 million in 1952. Such services at the State and local level include canals, port and terminal facilities, airports, and off-street parking facilities, with gross revenue from charges (as detailed in a previous section) totaling \$128 million in 1952.

Housing and community redevelopment.—Public expenditure for housing and community redevelopment totaled \$0.9 billion in 1952, not including Federal loan disbursements for the housing finance programs. Housing activities of the Federal Government, for which \$106 million was spent in 1952, include operations of the Housing and Home Finance Agency in the fields of insurance, lending activities, and operation of housing projects. As to these activities, expenditure figures include disbursements, other than for loans or payments to other Federal agencies, without offset for interest earnings, insurance premiums, rentals, or other receipts.

State expenditure for housing and community redevelopment was negligible in 1952. Local governments, however—usually through independent local housing authorities but also through city-administered housing activities—spent \$766 million in 1952. Of this amount, only \$136 million was for operation and maintenance of housing projects (not including interest on housing authority debt which is classified as general expenditure for interest). The remainder was for land purchases, construction, and

equipment for new housing facilities. In 1952 local rental income from public housing facilities was \$231 million, which, of course, includes amounts to cover debt service charges as well as project operating costs.

Health.—Governmental expenditure for health services totaled \$0.7 billion in 1952. Of the \$295 million direct Federal expenditure included in that sum, \$134 million was for medical services to veterans (other than through veterans hospitals), \$65 million was for Federal grants to private nonprofit institutions and territories and possessions for hospital construction, and the remainder was for activities of the U.S. Public Health Service other than the operation of hospitals, and for Food and Drug Act enforcement.

State and local health expenditure, \$440 million in 1952, was for the Federally aided programs, health regulation activities, and other health services. This does not include provision of hospitals or expenditures for sanitation, other than sanitary inspection and regulatory services. About one-half of the \$276 million spent by local governments for health services was accounted for by counties. Most of the remainder was spent by cities, and a small portion by township governments.

Local fire protection.—This function comprises fire fighting and fire prevention activities of local governments. Federal and State expenditures for forest fire fighting and prevention are classified under "natural resources."

Local fire protection expenditure totaled \$0.6 billion in 1952, of which wages and salaries of employees accounted for more than two-thirds.

Although fire protection is a fundamental local government service, it accounted, in 1952, for only 3 percent of total local government spending.

Other general government functions.—Public expenditure for general functions not accounted for in the foregoing discussion totaled \$4.5

billion in 1952. Major components of the Federal Government's \$2.5 billion share of this amount were as follows (in millions):

Item	Amount
Total.....	\$2,487
Defense material procurement (chiefly supplies and materials purchased for resale by the Defense Materials Procurement Agency).....	825
Reconstruction Finance Corporation lending, production, and liquidating programs.....	611
All other.....	1,061

State and local governments spent their \$2.0 billion, not accounted for above, as follows (in millions):

Item	Total	State	Local
Total.....	\$1,974	\$722	\$1,252
Employment security administration	178	177	1
Correction.....	337	223	114
Local parks and recreation.....	324	.....	324
General public buildings.....	248	49	199
Libraries.....	118	7	111
All other.....	770	266	504

Insurance Trust Expenditure

Benefits and refunds of contributions paid in connection with contributory retirement, life insurance, and social insurance programs are designated here "insurance trust expenditure." This corresponds to the category "insurance trust benefits and withdrawals" discussed above under "Expenditure by Character and Object." Such payments amounted to \$5.5 billion in the fiscal year 1952. Partly because of the relative newness of many of the existing systems for insurance and partly because high economic activity kept unemployment compensation benefit payments at a fairly low level, expenditures for insurance benefits equalled less than two-thirds of insurance trust revenue from contributions and investment earnings during this year.

Old age and survivors insurance benefits accounted for the largest single share (\$2.0 billion) of insurance trust payments in 1952.

Life insurance benefit payments and premium refunds to veterans accounted for \$1.1 billion; unemployment compensation payments, chiefly by the States, required \$1.0 billion; and payments to retired employees of Federal, State, and local governments were \$0.8 billion. The remaining social insurance benefits were divided by program as follows (in millions):

Railroad retirement benefits (Federal).....	\$384
State workmen's compensation benefits (State-administered plans only and not including payments by commercial insurers).....	157
Miscellaneous State temporary disability and sickness insurance benefits.....	38

It should be noted that several major "insurance" programs administered by the Federal Government—crop and farm mortgage insurance, home mortgage insurance, investment guarantee activities, etc.—are not classified here as insurance trust activities but, like numerous other commercial-type activities, as general government functions. Insurance premium receipts of such activities are classified as general revenue from charges for services and their payments of losses as general expenditure.

Also excluded from the category "Insurance trust expenditure" are administration costs for social insurance programs, which are treated as part of general expenditure.

Utility and Liquor Store Expenditure

The final major category of governmental expenditure consists of amounts for State and local liquor stores and local water, electric, gas and transit systems. As to their activities, the 1952 expenditure total of \$3.1 billion includes amounts: For wages and salaries (\$838 million) and for supplies, materials, and other services required to produce or make available utility products sold to the public; for purchases of goods for resale; for construction (\$581 million), equipment, land and other additions to utility plant; and for interest payments on utility debt (\$172 million). The figures do not include the cost of producing services consumed by the parent government of a utility in carrying out general governmental functions. The following shows major

categories of expenditure made for utility and liquor store purposes in 1952 (in millions):

Item	All expenditure	Current operations and purchase of goods for resale	Capital outlay	Interest on debt
Total.....	\$3,087	\$2,237	\$678	\$172
State and local liquor stores.....	841	840	1	.....
Local utilities....	2,246	1,397	677	172
Water supply....	973	473	406	94
Electric power..	631	412	195	24
Transit.....	581	461	67	53
Gas supply.....	61	50	9	1

It should be noted that figures as to Federal and State multi-purpose power projects are classified under the heading "natural resources," as general government activities. As to power production, transmission and distribution, only local government enterprises are included in the utilities category.

EXHIBIT: GOVERNMENTAL LOAN DISBURSEMENTS

In addition to the kinds and purposes of expenditures discussed heretofore, the Federal Government disburses substantial sums in the

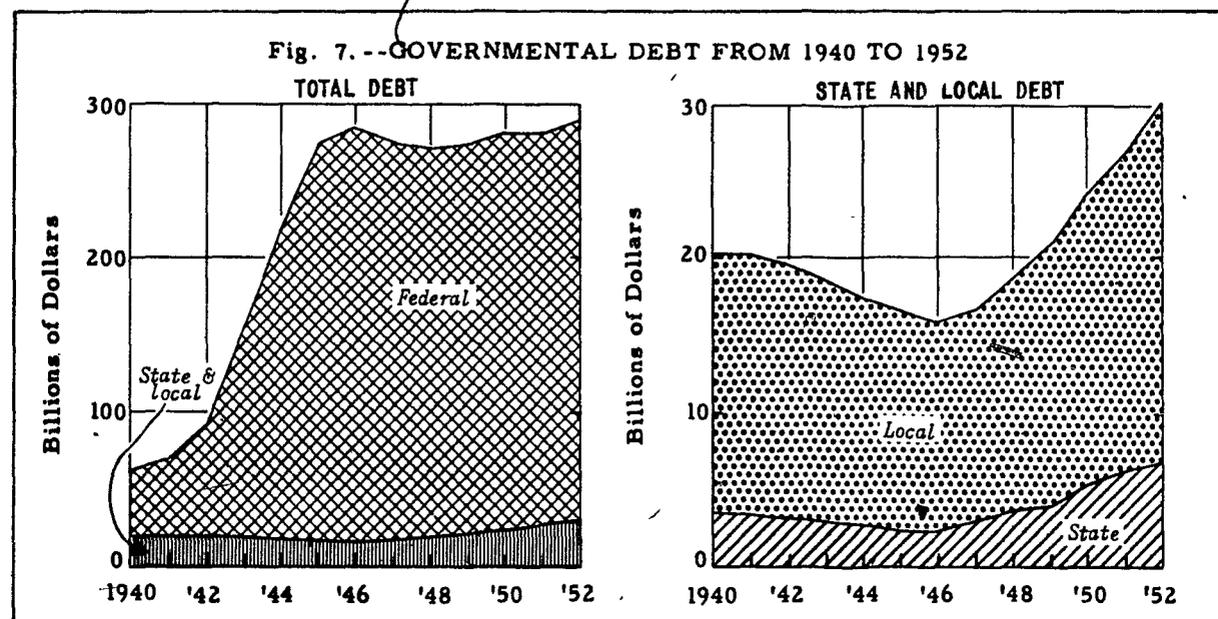
form of loans to foreign governments, State and local governments, individuals, and private businesses. State governments also have loan programs in some instances for their local governments, for veterans and for other purposes. As to State loan disbursements, it has not been possible to accumulate comprehensive data for this report. For the Federal Government, however, gross loan disbursements for 1952 were as follows (in millions):

Total.....	\$4,988
International assistance and foreign affairs.....	621
Natural resources (largely farm credit and price support loans).....	2,796
Housing and community redevelopment.....	1,270
Veterans' services.....	84
All other.....	217

GOVERNMENTAL DEBT

Total governmental debt at the end of the fiscal year 1952 was \$289.2 billion as compared with \$282.3 billion on June 30, 1951. Outstanding debt of State and local governments amounted to \$30.1 billion at the end of the fiscal year 1952, having increased \$3.1 billion since June 30, 1951. Public debt of the Federal Government increased \$3.9 billion in the same period from \$255.2 billion to \$259.1 billion.

Federal debt rose sharply in World War II to a peak in 1946, which was \$10.3 billion above its level as of June 1952. Indebtedness of State and local governments, on the other



hand, declined gradually from previous levels to a 1946 low of \$15.9 billion, and has since increased by \$14.2 billion. State debt increased sharply in 1952, reaching a new high of \$6.9 billion at the end of the fiscal year 1952 as compared with \$6.4 billion on June 30, 1951 and \$2.4 billion in 1946. Total debt of local governments rose \$2.6 billion after June 30, 1951, to a new record of \$23.2 billion at the end of the fiscal year 1952. This compares with the total of \$16.7 billion in local debt outstanding in 1932 and 1940.

State and local government borrowing in the fiscal year 1952 totaled nearly \$3.8 billion, including a small net increase in short-term debt as well as issuance of long-term obligations. During the same period, \$1.6 billion in State and local long-term obligations was redeemed which, when added to net decreases in short-term debt, indicated a total debt redemption figure for the year of \$1.8 billion.

STATE AND LOCAL CASH AND SECURITY HOLDINGS

Cash on hand and on deposit plus investment holdings of State and local governments amounted to \$34.0 billion at the end of fiscal year 1952. Somewhat less than 10 percent of this amount was held in sinking funds specifically for eventual redemption of debt. Almost one-fourth of the total comprised the balances in State unemployment compensation trust funds on deposit in the U.S. Treasury. One-fifth was made up of the assets of State and local employee retirement funds and one-half the total was held by other State and local funds.

By type of asset, State and local cash and security holdings were evenly divided between cash and deposits on the one hand and governmental and other securities on the other. The predominant type of investment was in United States Government securities, of which State and local governments had \$11.1 billion worth on hand at the end of fiscal 1952. These governments also held \$3.9 billion in State and local securities, and \$2.1 billion in nongovernmental security holdings.

CONCEPTS AND TERMINOLOGY

The general nature of many of the government finance items appearing in this report will be evident from their designations and from the foregoing text. The discussion below,

therefore, deals only with certain basic phases of data classification and presentation herein. (Comprehensive glossaries appear in the Census Bureau's annual "Compendium" reports on State and city government finances.)

The concepts and terms used in this report have been devised to serve primarily for Census reporting on finances of State and local governments. However, as described below under "Sources and Derivation of Data," they have been applied also in arriving at the Federal revenue, expenditure, and debt figures which appear in various tables of this publication.

Revenue and Expenditure

These two reporting categories respectively comprise all amounts of money received or paid out as between a government and external individuals or agencies—net of correcting transactions such as recoveries or refunds—except for debt issuance and retirement and for loan and investment, agency, and private trust transactions. The following examples illustrate some applications of this summary definition: Tax revenue is reported in terms of gross collections minus tax refunds during the same period; receipts from issuance of debt, recoupment of previous loans, and sale of securities are not counted as "revenue;" similarly, payments for debt retirement, extension of loans and purchase of securities are excluded from "expenditure;" property tax amounts widely collected by counties on behalf of other governments are counted only as revenue of the final recipient units and excluded from county data as being for them only "agency" transactions; the same is true as to the withholding and payment by State and local governments of Federal income tax amounts based on their employees' pay.

Borrowing and Debt Redemption

For State and local governments, this report includes summary data on receipts and payments under these headings. "Borrowing" comprises original issues of long-term debt (i.e., long-term debt issued other than for refunding of previous long-term debt) plus—(for the individual government) any net increase of short-term debt outstanding. "Debt redemption" comprises long-term debt redeemed (i.e., amounts retired other than by refunding) plus—(for the individual government—any net decrease of short-term debt outstanding. For debt transactions of housing authorities (commonly involving

issuance of short-term notes, in anticipation of the sale of long-term bonds) amounts relating to the funding of short-term notes are excluded from borrowing and debt redemption figures.

"General Government," "Utility and Liquor Store," and "Insurance Trust" Sectors

Except for amounts from certain specifically defined "utility and liquor store" and "insurance trust" sources, all governmental revenue is classified herein as general revenue. Similarly, all expenditure, except that for specifically defined "utility and liquor store" or "insurance trust" purposes, is general expenditure.

For Census reporting of governmental statistics, "utilities" comprise only water supply, electric power, gas supply, and transit systems owned and operated by local governments, and "liquor stores" comprise such stores operated by local governments and States. Other commercial-type operations of governments—port facilities, airports, housing projects, toll highways, and the like—as well as all Federal Government agencies and activities, including its corporations and the Postal Service—are treated as part of the general government. Utility and liquor store revenue comprises amounts from external sales of goods and services by undertakings so classified. Utility and liquor store expenditure comprises all spending involved in provision and conduct of such undertakings, including acquisition of facilities, current operation and the purchase of goods or services for resale, and interest on utility debt.

Insurance-trust activities consist of contributory retirement systems for public employees and governmental social insurance and life insurance programs. Insurance trust revenue comprises only (1) retirement and insurance contributions (including social insurance "taxes" and veterans' insurance "premiums") received from insured individuals and their employers; and (2) earnings on investment assets of insurance trust funds. Employer contributions or other transfers from other funds of the administering government to insurance trust funds are excluded. Insurance trust expenditure comprises only benefit payments and withdrawals of contributions from insurance trust funds. Costs of administering insurance trust activities are classified as general expenditure.

Types of Governments

Data herein relate to the finances of all governments in the continental United States, including the Federal Government, the 48 States, and local governments numbering 116,694 in 1952 and distributed as follows:*

Counties.....	3,049
Cities.....	16,778
Townships.....	17,202
School districts.....	67,348
Special districts.....	12,319

Data herein for cities relate to active separate governments locally designated as cities, boroughs, villages or—except for New England, New York, and Wisconsin—towns. Township figures are for units which exist in only 22 States, termed "towns" in New England, New York, and Wisconsin, and elsewhere called "townships." School district data herein relate only to local units which exist to provide public education independently of other governments. Financial amounts relating to local school systems administered by other governments—cities, counties, townships, or States—are included in data for such other types of governments. Special district amounts relate to separate governmental units, as found locally in every State, which have been established typically to perform a single function or limited range of functions.

Data for governmental "authorities" or agencies which lack sufficient autonomy to be regarded as separate units are included with amounts for the parent type of government. Thus, Federal figures include amounts for agencies treated as Government Corporations in the U.S. Budget; State figures include amounts for State colleges and universities and for certain State "authorities;" and data for cities and other types of local governments are also inclusive of various semi-autonomous agencies associated with them.

Intragovernmental and Intergovernmental Transactions

As indicated above, revenue and expenditure amounts herein relate to transactions between governments and external agencies or individuals. The data utilized for each individual government represent a consolidation of amounts for its various funds, net of transfers

*See Bureau of the Census, *Governments in the United States in 1952*.

SOURCES AND DERIVATION OF DATA

Federal Finance Statistics

The Budget of the United States Government for the Fiscal Year 1954 (which presents "actual" data for 1952) is the source of most of the Federal Government financial information in this report. For certain kinds of transactions, recourse was necessary also to the 1952 annual reports of the Secretary of the Treasury and of the Commissioner of Internal Revenue. Certain details as to Federal payments to State and local governments were obtained directly from the Federal agencies making the payments.

The classification used by the Bureau of the Census for reporting State and local government finance statistics differs in a number of important respects from the classification used in the United States Budget. Accordingly, it was necessary to reclassify Federal data as presented in the U.S. Budget in order to develop the governmental finance statistics presented in this report.

As to Federal revenue, the nature of such reclassification for this report parallels that described in detail in the Census report, *Governmental Revenue in 1951*. Therefore, the discussion here will be directed at adjustments necessary for developing Federal expenditure data on a basis consistent with that applicable to Census statistics on State and local government expenditure.

One of the most important of such adjustments was that applied to "business enterprise and revolving fund," "trust fund," and "working fund" transactions of the Federal Government. To the extent identifiable in the U.S. Budget, all payments into such funds were eliminated from expenditure figures as were amounts shown for their "net effect on budgetary expenditures." In turn, gross expenditures of business enterprise and revolving funds, and trust and working funds (but not loan disbursements or purchases of financial assets) were treated as expenditure with the exception of identifiable payments made by such funds and enterprises to other Federal agencies. Payments from deposit funds, however, were not regarded as expenditures.

or other payments between funds with but one exception of any consequence: No attempt has been made to reduce reported amounts of interest expenditure or of revenue from earnings on investments by reason of interest amounts paid on securities held by funds or agencies of the issuing government. (See also the discussion above of "Interest Earnings.")

In this report, certain transactions between governments are classified distinctively as "intergovernmental revenue" and "intergovernmental expenditure" and netted out of aggregates comprising the groups of governments concerned. Most of the amounts so classified, of course, comprise fiscal aid in the form of Federal and State grants and shared tax proceeds. Also included in these categories, however, are amounts paid and received for services performed for one government by another on a reimbursement or cost-sharing basis, and payments in lieu of taxes.

The value of intergovernmental aid "in kind," such as commodities distributed by the Federal Government for school lunch purposes, is not treated as intergovernmental revenue or expenditure. Neither has any attempt been made to distinguish and so classify and net-out cash payments between governments in the form of: Government employer contributions to retirement or other social insurance systems administered by another government; interest on outstanding debt paid to other governments holding the securities involved; or intergovernmental transactions involving no distinction between governmental and private suppliers or customers—e.g., State and local expenditure for postage, and other intergovernmental purchases of property, utility services, commodities, or the like.

Period Covered

Data in this report for 1952 relate, with a few minor exceptions, to governmental fiscal years ended during calendar 1952. For the Federal Government, most school districts, and all except 6 of the 48 States, this means the 12 months ended June 30, 1952. There is more variation among other governments, with a considerable proportion operating in terms of a fiscal year ending December 31.

A second type of necessary adjustment was to add to budgetary expenditure figures the amount of "appropriation credits" arising from reimbursements from non-Federal sources and from charges for quarters and subsistence furnished to employees.

The Federal Budget document shows actual expenditure figures only in total for each appropriation item. Only figures as to "obligations" are distributed by object of expenditure. Since the Census Bureau's classification is based on expenditures rather than "obligations" it was necessary to estimate, item by item, the distribution of the expenditure total by object class. This was done on the basis of the allocation of "obligations" by object class, as modified by the nature of the appropriation item concerned. In performing this operation, it was necessary to take into account services performed by or for other Federal agencies in order to insure an appropriate, nonduplicative distribution of expenditure amounts. Certain changes from the stated object classification in the U.S. Budget were necessary to fit the Census structure, particularly as to services and goods "granted" in kind to State and local governments, but classified here as direct rather than intergovernmental Federal expenditure. It was necessary also to eliminate at this stage loan disbursements, purchase of financial investments, and other types of payments not included in the Census concept of expenditure.

Certain Federally administered trust funds were excluded as being agency funds; the largest of these concerned the finances of the District of Columbia and Federal transactions in connection with State unemployment compensation funds.

Although "Special Analysis G" in the U.S. Budget was the primary basis for data regarding Federal payments to State and local governments, some reclassification was needed: (1) to eliminate assistance in kind (see above), (2) to identify reimbursements for State and local government services (contract research, education of veterans, etc.), (3) to distinguish grants to territories and possessions from payments to State and local governments in the continental United States, and (4) to separate loan disbursements from expenditure figures.

In the course of the item-by-item adjustment of expenditure figures, Federal data were classified in terms of the Census Bureau's

functional classification of expenditure. As to defense expenditure, the Budget and Census classifications are identical. For other functions, the classifications differ because that of the Census Bureau is designed to show State and local government as well as Federal functions and because Census concepts of expenditure differ from those employed in the Federal Budget. The most significant difference in functional classification relates to the treatment of veterans' benefits and services, as discussed above, on page 16. A second major difference applies to the classification of insurance trust expenditures. Expenditures of the various Federal retirement, life insurance, and social insurance funds are not included in budget expenditures in the Federal Budget, whereas these benefit payments are treated as one of the major subdivisions of governmental expenditure in the Census classification.

State Government Statistics

Except for the functional distribution of payroll amounts (see footnote 1, table 6), State government information in this report is based on the annual Bureau of the Census survey of State finances. State finance statistics are compiled by representatives of the Census Bureau from official records and reports of the various States. The figures are classified according to standard Census categories for reporting of State finances, and subjected to intensive review. Statistics in this report are drawn from State finance data published in the Census report, *Compendium of State Government Finances in 1952*, and from unpublished records and worksheets relating thereto.

Local Government Statistics

Cities over 25,000.—Information in this report containing city government amounts includes data for all cities having 25,000 or more inhabitants based on the Census Bureau's annual survey of city finances. Statistics used in this report for these cities are drawn largely from city finance data published in the Census report, *Compendium of City Government Finances in 1952*, and from unpublished records and worksheets relating thereto. City finance statistics for the 41 cities having 250,000 or more inhabitants are collected in the same manner as State finance statistics (see above). Data for cities having from 25,000 to 250,000

inhabitants are collected mainly by mail questionnaire with some compilation by Census representatives undertaken to insure complete coverage of the 440 cities in this size class.

Other local governments.—Amounts included herein as to finances of smaller cities—those having less than 25,000 inhabitants—and of counties, townships, school districts, and special districts are estimates based on a sample of approximately 1,800 local governments. The sample is a random selection of local units within a stratification structure based on type and size of government. As for cities having 25,000 to 250,000 inhabitants, data for sample local governments are collected by mail with use of standard Census questionnaires that call for detailed reporting of data in terms of the Census classification structure. Telephone calls and personal visits as well as extensive follow-up correspondence are employed to obtain the maximum rate of response and to clear up inadequacies or inconsistencies evident from examination of reported information. To assist respondents, several varieties of questionnaires are used, and tailored special instructions relating to significant classification problems are distributed with requests for data.

Estimates based on reported data are made for each cell—i.e., each type-size group of governments—in the stratification structure, by applying to the sum of reported information for each item a "blow-up" ratio based on the relation of the October 1952 payroll total for reported units to the estimated October 1952 payroll aggregate for the entire cell. The Census Bureau has, for October 1952, highly reliable estimates of local government payroll amounts based on an 18,000-unit sample survey designed to obtain State-by-State estimates of employment and payroll data for that month (see the Census report, *State Distribution of Public Employment in 1952*). Resulting cell estimates of financial data are summed to obtain the estimated aggregates shown in this report.

Reliability.—The statistics presented in this report that are based wholly or partly 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. Sampling variation applying to six key items of data has

been computed, therefore, and the results are as follows:

Item	Sampling variation ¹	
	State and local aggregate amounts	Local government aggregates
Revenue from own sources.....	0.6%	1.2%
Long-term debt outstanding.....	1.4%	1.9%
Construction expenditure.....	2.5%	3.9%
Expenditure for:		
Elementary and secondary schools.....	2.0%	2.1%
Highways.....	1.5%	2.8%
Health and hospitals.....	2.4%	5.0%

¹In repeated surveys using the same sampling and estimating procedures, the chances are that about 2 estimates out of 3 would be within the specified percentage of the results that would be obtained from a complete enumeration; about 10 out of 20 would be within double the indicated percentage.

Estimates for items of smaller magnitude are likely to have a higher relative sampling variation. Similarly, estimates with respect to particular types of local government may be subject to somewhat greater sampling variation than the estimated aggregates for all local governments. In the various tables of this report, minor detail amounts shown for particular types of local government are included mainly for complete and convenient distribution of totals rather than as themselves representing close estimates.

It should be noted, however, that in the case of special district governments, the Census Bureau was conducting at the same time as the survey of 1952 finances a complete coverage directory survey of special districts. Certain financial items shown in this report for special districts (i.e., construction expenditure and long-term debt outstanding) are based on the complete-coverage special-district survey rather than the sample survey of special district finances. Other special district amounts—total revenue and expenditure other than for construction—although based on the sample survey, correspond very closely to comparable totals based on the complete coverage directory survey.

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 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. However, no effort has been made to measure or adjust for any possible bias due to nonresponse. For the 1952 survey, local government reports were received by mail or compiled for 2,103 out of 2,300, or 91.4 percent, of the units canvassed for data, including reports for cities having 25,000 or more inhabitants received in connection with the 1952 survey of city finances.

Both the estimates and the completely reported data are affected by the quality of the basic reports on finance 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.

RESPONSIBILITY AND ACKNOWLEDGEMENT

Much of the responsibility for development of this report has rested with Mr. Robert F. Drury, Assistant Chief of the Governments Division, who also handled—with assistance from Mr. Jacob M. Jaffe on the treatment of intergovernmental expenditure—the classification of Federal Government data. Local government amounts were assembled by the Surveys Section of the Governments Division, under the supervision of Mr. Joseph F. Arbena.

Grateful acknowledgement is made to the many State and local government officials and to the various Federal agencies who provided information needed for this report.

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SUMMARY OF GOVERNMENTAL FINANCES IN 1952

Table 1.—GOVERNMENTAL REVENUE, BY TYPE OF GOVERNMENT: 1952 AND 1951

Item	All governments	Federal	All State and local	State	Local governments					
					All local	County	City	Township	School district	Special district
1952 AMOUNTS IN MILLIONS										
Total revenue.....	\$101,105	72,626	\$28,479	14,330	\$4,149	2,504	7,067	622	2,935	1,017
Intergovernmental revenue.....	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)
Total revenue from own sources.....	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)
General revenue, net of intergovernmental.....	89,255	66,640	22,615	10,944	1,671	2,385	5,139	594	2,920	632
Taxes, total.....	79,066	59,744	19,323	9,857	9,466	1,918	4,183	540	2,655	170
Property.....	8,652	8,652	370	8,282	1,835	3,144	515	2,612	170	
Individual income.....	28,919	27,321	998	913	85		82		2	
Corporation income.....	22,072	21,226	846	838	8		8			
Sales, gross receipts, and customs.....	15,689	9,332	6,357	5,730	627	21	598	4	3	
Death and gift.....	1,032	918	214	211	3		3			
Other, including licenses and permits.....	2,703	446	2,257	1,795	462	61	347	21	33	
Charges and miscellaneous.....	10,188	6,896	3,292	1,087	2,205	468	956	54	265	462
Utility and liquor store revenue.....	3,140		3,140	924	2,216	97	1,718	26		375
Liquor stores.....	1,069		1,069	924	145	95	50			
Water supply system.....	839		839		839	1	758	20		60
Electric power system.....	683		683		683		542	6		135
Transit system.....	479		479		479		320			159
Gas supply system.....	70		70		70		49			22
Insurance-trust revenue, total.....	8,710	5,966	2,724	2,462	262	22	209	2	18	10
Employee retirement.....	1,442	607	835	579	256	22	203	2	18	10
Unemployment compensation.....	1,612	10	1,602	1,597	5		5			
Old age and survivors insurance.....	3,881	3,881								
Other.....	1,775	1,488	287	287						
1951 AMOUNTS IN MILLIONS										
Total revenue.....	(1)	\$57,566	(1)	\$15,547	(1)	\$3,676	\$7,594	\$715	\$4,546	\$769
Intergovernmental revenue.....	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)
Total revenue from own sources.....	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)
General revenue, net of intergovernmental.....	72,640	52,254	20,386	9,895	10,491	2,186	4,745	512	2,592	456
Taxes, total.....	63,585	46,031	17,554	8,933	8,621	1,809	3,867	480	2,316	148
Property.....	7,926	7,926	346	7,580	1,726	2,938	454	2,314	148	
All other taxes.....	55,659	46,031	9,628	8,587	1,041	84	930	26	2	
Charges and miscellaneous.....	3,054	6,222	2,831	961	1,871	377	878	32	276	308
Utility and liquor store revenue.....	2,873		2,833	904	1,930	27	1,573	36		294
Insurance-trust revenue.....	7,774	5,312	2,462	2,242	221	27	187	3	NA	4
PERCENT CHANGE, 1951 TO 1952										
Total revenue.....	(1)	26.2	(1)	8.2	(1)	10.0	9.0	20.5	12.1	(3)
Intergovernmental revenue.....	(1)	(1)	(1)	-0.9	(1)	7.3	11.3	(3)	10.5	(3)
Total revenue from own sources.....	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)
General revenue, net of intergovernmental.....	22.9	27.5	10.9	10.6	11.2	9.1	8.3	16.1	12.7	(3)
Taxes, total.....	24.3	29.8	10.1	10.3	9.8	6.0	8.2	12.5	14.6	(3)
Property.....	9.2	9.2	6.9	9.3	6.3	7.0	13.3	13.1	13.1	(3)
All other taxes.....	26.5	29.8	10.8	10.5	13.8	(3)	11.7	(3)	(3)	(3)
Charges and miscellaneous.....	12.5	10.8	16.3	13.1	17.9	24.1	9.9	(1)	(1)	(3)
Utility and liquor store revenue.....	10.8		10.8	2.2	14.9	(3)	9.2	(3)	(3)	(3)
Insurance-trust revenue.....	12.0	12.7	10.6	9.8	18.7	(1)	11.7	(3)	(3)	(1)

NOTE: Because of rounding, detail does not always add to totals. Minor detail amounts shown for local governments are generally subject to high sampling variation; such amounts are included mainly for complete and convenient distribution of related aggregates rather than as themselves representing close estimates. See text discussion of "Source and Deviation of Data."
 NA signifies data not available.
 (1) Not computed.
 (2) To avoid duplication, excludes revenue of individual school districts in the form of reimbursement from other school districts for tuition, transportation, etc.
 (3) Not computed; figures for 1951 not comparable with figures for 1952 for this item.

GOVERNMENTAL FINANCES: 1952

Table 2.—FEDERAL, STATE, AND LOCAL TAX REVENUE, BY TYPE: 1952 AND PRIOR YEARS

Item	Total taxes ¹	Individual income	Corporation income ¹	Sales, gross receipts, and customs	Property	Death and gift	Licenses, permits, and other
Total:							
1952.....	\$79,067	\$28,919	\$22,072	\$15,689	\$8,652	\$1,032	\$2,703
1951.....	63,585	22,569	14,795	14,936	7,926	906	2,452
1950.....	50,967	16,472	11,043	12,986	7,349	870	2,247
1949.....	50,359	16,105	11,844	12,506	6,842	959	2,012
1948.....	51,134	19,782	10,273	12,103	6,126	1,072	1,797
1947.....	46,642	18,257	9,059	11,314	5,507	936	1,569
1946.....	46,131	16,399	12,225	9,824	4,986	809	1,889
1945.....	50,075	18,727	15,547	9,454	4,802	769	1,776
1942.....	20,797	3,527	4,998	5,685	4,537	530	1,521
Federal:							
1952.....	59,744	27,921	21,226	9,332	.....	818	446
1951.....	46,031	21,696	14,101	9,117	.....	708	409
1950.....	35,053	15,684	10,460	7,832	.....	699	389
1949.....	35,563	15,461	11,196	7,780	.....	780	351
1948.....	37,792	19,219	9,681	7,661	.....	890	341
1947.....	35,088	17,802	8,602	7,593	.....	770	321
1946.....	36,037	15,977	11,778	6,839	.....	667	777
1945.....	40,882	18,344	15,099	6,020	.....	636	793
1942.....	12,270	8,251	4,726	3,334	.....	419	540
State and local:							
1952.....	19,323	998	846	6,337	8,652	214	2,257
1951.....	17,554	873	694	5,819	7,926	199	2,042
1950.....	15,914	788	593	5,154	7,349	172	1,858
1949.....	14,790	644	648	4,816	6,842	179	1,661
1948.....	13,342	543	592	4,442	6,126	182	1,456
1947.....	11,554	455	457	3,721	5,507	166	1,248
1946.....	10,094	422	447	2,996	4,986	142	1,112
1945.....	9,193	383	459	2,434	4,802	133	993
1942.....	8,527	276	272	2,351	4,537	111	981
State:							
1952.....	9,857	913	838	5,730	370	211	1,795
1951.....	8,933	805	697	5,268	346	196	1,631
1950.....	7,930	724	586	4,770	307	168	1,475
1949.....	7,376	593	641	4,365	276	176	1,325
1948.....	6,743	499	595	4,042	274	179	1,161
1947.....	5,721	418	451	3,415	261	165	1,011
1946.....	4,937	399	442	2,803	249	141	914
1945.....	4,307	357	453	2,275	276	132	811
1942.....	3,903	249	269	2,218	264	110	793
Local:							
1952.....	9,466	85	8	627	8,282	3	462
1951.....	8,621	68	7	551	7,590	3	411
1950.....	7,944	64	7	494	7,042	3	393
1949.....	7,414	51	7	451	6,566	3	336
1948.....	6,599	44	7	400	5,850	3	295
1947.....	5,833	37	6	306	5,246	1	237
1946.....	5,157	33	5	183	4,737	1	198
1945.....	4,886	26	5	156	4,526	1	172
1942.....	4,624	27	3	133	4,273	1	188
PERCENT CHANGE, 1951 TO 1952							
Total.....	24.3	28.1	49.2	5.0	9.2	13.9	10.3
Federal.....	29.8	28.7	50.5	2.4	.....	15.6	9.0
State and local.....	10.1	14.2	21.8	8.9	9.2	7.9	10.5
State.....	10.3	13.4	21.9	8.8	6.9	7.9	10.1
Local.....	9.9	23.6	15.5	13.7	9.3	10.7	12.3
PERCENT CHANGE, 1942 TO 1952							
Total.....	290.2	719.9	341.6	176.0	90.7	94.8	77.7
Federal.....	396.9	758.8	398.1	179.9	.....	95.2	-17.3
State and local.....	126.6	261.5	210.9	169.5	90.7	93.0	130.1
State.....	152.5	266.1	211.8	159.4	39.9	92.1	126.4
Local.....	104.7	213.0	159.1	371.3	50.8	227.3	145.6

NOTE: Because of rounding, detail does not always add to totals.
¹Federal amounts include excess profits tax as well as normal tax and surtax and, for years prior to 1948, include unjust enrichment tax.

SUMMARY OF GOVERNMENTAL FINANCES IN 1952

Table 3.—PERCENT DISTRIBUTION OF FEDERAL, STATE, AND LOCAL GOVERNMENT REVENUE, BY SOURCE: 1952

Item	Percent of total revenue from own sources					Percent of general revenue from own sources				
	All governments	Federal	State and local			All governments	Federal	State and local		
			Total	State	Local			Total	State	Local
Total revenue from own sources.....	100.0	100.0	100.0	100.0	100.0	XXXXXXX	XXXXXXX	XXXXXXX	XXXXXXX	XXXXXXX
General revenue, total from own sources.....	88.3	91.8	79.4	76.4	82.5	100.0	100.0	100.0	100.0	100.0
Taxes.....	78.2	82.3	67.9	68.8	66.9	88.6	89.7	85.4	90.1	81.1
Individual income.....	28.6	38.5	3.5	6.4	0.6	32.4	41.9	4.4	8.3	0.7
Corporation income.....	21.8	29.2	3.0	5.8	0.1	24.7	31.9	3.7	7.7	0.1
Sales, gross receipts, and customs.....	15.5	12.9	22.3	40.0	4.4	17.6	14.0	28.1	52.4	5.4
Property.....	8.6	.....	30.4	2.6	58.5	9.7	.....	38.3	3.4	71.0
Death and gift.....	1.0	1.1	0.8	1.5	(¹)	1.2	1.2	0.9	1.9	(¹)
Licenses, permits, and other.....	2.7	0.6	7.9	12.5	3.3	3.0	0.7	10.0	16.4	4.0
Charges and miscellaneous.....	10.1	9.5	9.2	7.6	15.6	11.4	10.3	14.6	9.9	18.9
Utility and liquor store revenue.....	3.1	XXXXXXX	11.0	6.4	15.7	XXXXXXX	XXXXXXX	XXXXXXX	XXXXXXX	XXXXXXX
Insurance-trust revenue.....	8.6	8.2	9.6	17.2	1.8	XXXXXXX	XXXXXXX	XXXXXXX	XXXXXXX	XXXXXXX

¹Less than 1/20 of 1 percent.

Table 4.—GOVERNMENTAL EXPENDITURE BY CHARACTER AND OBJECT, BY TYPE OF GOVERNMENT: 1952

[In millions]

Item	All governments	Federal	All State and local	State	Local governments					
					All local	County	City	Township	School district	Special district
Total expenditure.....	(¹)	\$73,152	(¹)	\$15,834	(¹)	\$4,029	\$8,383	\$824	\$5,357	\$1,665
Intergovernmental expenditure.....	(¹)	2,585	(¹)	5,044	(¹)	131	68	18	(²)	47
Direct expenditure, total.....	\$101,451	70,568	\$30,884	10,790	\$20,093	3,897	8,314	806	5,357	1,619
Current operation.....	56,125	37,572	18,553	5,173	13,380	2,509	5,519	579	4,169	603
Capital outlay, total.....	324,873	317,437	7,436	2,658	4,778	673	1,850	263	1,079	914
Construction.....	3,49,723	3,43,337	6,386	2,323	4,063	547	1,511	240	821	844
Contract construction.....	49,145	43,337	5,808	2,084	3,724	496	1,363	219	821	724
Force account construction.....	3,578	(³)	578	239	340	51	148	21	.....	120
Land and existing structures.....	4,667	(⁴)	467	178	289	37	156	1	51	43
Equipment.....	14,684	14,100	584	158	426	88	183	21	108	26
Assistance and subsidies.....	8,387	5,916	2,471	1,402	1,070	653	370	47	.....	.....
Interest on debt.....	6,577	5,853	724	144	580	49	341	15	94	81
Insurance-trust benefits and withdrawals.....	5,489	3,790	1,698	1,413	285	13	234	2	15	21
Exhibit: Total personal services.....	629,766	617,721	12,045	2,956	9,089	1,274	3,850	306	3,261	399

NOTE: Because of rounding, detail does not always add to totals. Minor detail amounts shown for local governments are generally subject to high sampling variation; such amounts are included mainly for complete and convenient distribution of related aggregates rather than as themselves representing close estimates.

¹Not computed.

²To avoid duplication, excludes payments between school districts for tuition, transportation services, etc.

³Does not include Federal expenditure for force account construction, not segregable from current operation expenditure.

⁴Federal expenditure for purchase of land and existing structures is included in contract construction expenditure.

⁵Differs from amount shown as "interest on general debt" in table 5 because of inclusion here of \$172 million of interest on debt for local utilities which is included in utility expenditure in table 5. Includes expenditure for interest paid on obligations held as investments by social insurance, sinking, and other governmental funds.

⁶Includes pay and allowances of armed forces personnel totaling \$8,340 million.

Table 5.--GOVERNMENTAL EXPENDITURE BY TYPE AND FUNCTION, BY TYPE OF GOVERNMENT: 1952

[In millions]

Table with 11 columns: Item, All governments, Federal, All State and local, State, All local, County, City, Township, School district, Special district. Rows include Total expenditure, Intergovernmental expenditure, Direct expenditure, National defense, International assistance, Postal services, Education, Highways, Public welfare, Health, Police, Local fire protection, Natural resources, Sanitation, Housing and community redevelopment, Veterans' services, Nonhighway transportation, General control, Interest on general debt, Other and unallocable, Utility and liquor store expenditure, Liquor stores, Water supply system, Electric power system, Transit system, Gas supply system, Insurance-trust expenditure, Employee retirement, Unemployment compensation, Old age and survivors insurance, Veterans' life insurance, Other.

NOTE: Because of rounding, detail does not always add to totals. Minor detail amounts shown for local governments are generally subject to high sampling variation; such amounts are included mainly for complete and convenient distribution of related aggregates rather than as themselves representing close estimates. 1Not computed. 2To avoid duplication, excludes payments between school districts for tuition, transportation services, etc. 3Figures for "hospitals" include operation expenditure and capital outlay for public hospitals only; grants and subsidies for private hospitals are included in expenditure for "health".

Table 6.--STATE AND LOCAL GOVERNMENT EXPENDITURE FOR PERSONAL SERVICES AND FOR CONSTRUCTION, BY FUNCTION: 1952

[In millions]

Table with 7 columns: Item, All State and local, State, Local, All State and local, State, Local. Rows include Total, Education, Elementary and secondary schools, Institutions of higher education, Other, Highways, Public welfare, Health, Hospitals, Police, Local fire protection, Natural resources, Sanitation, Housing and community redevelopment, General control, Liquor stores and local utilities, total, Liquor stores, Water supply system, Electric power system, Transit system, Gas supply system, All other.

1 This distribution of the 1952 personal service totals shown in Table 4 is based on the Census survey of public employment, primarily data for October 1952, as presented in the report, State Distribution of Public Employment in 1952

Table 7.--GOVERNMENTAL DEBT OUTSTANDING AT END OF FISCAL YEAR, BY TYPE OF GOVERNMENT: 1952

[In millions]

Table with 11 columns: Item, All governments, Federal, All State and local, State, All local, County, City, Township, School district, Special district. Rows include Total debt outstanding, Long-term, total, Full faith and credit, Nonguaranteed, Short-term, Exhibit: Net long-term.

NOTE: Because of rounding, detail does not always add to totals. Minor detail amounts shown for local governments are generally subject to high sampling variation; such amounts are included mainly for complete and convenient distribution of related aggregates rather than as themselves representing close estimates. 1 "Public debt" of the United States Government; excludes guaranteed obligations not owned by the Treasury (interest-bearing debt of the Commodity Credit Corporation and the Federal Housing Administration) and nonguaranteed debt of Federal agencies. 2 "Public debt" of the United States Government excludes nonguaranteed obligations of Federal agencies. 3 Treasury bills, certificates of indebtedness, and Treasury savings notes.

Table 8.—TOTAL DEBT OF FEDERAL, STATE, AND LOCAL GOVERNMENTS: SELECTED YEARS 1902 TO 1952

Year ¹	All governments	Federal	State and local			All governments	Federal	State and local		
			Total	State	Local			Total	State	Local
	AMOUNT IN MILLIONS					PER CAPITA ²				
1952.....	\$289,205	\$259,105	\$30,100	\$6,874	\$23,236	\$1,842	\$1,651	\$192	\$44	\$148
1951.....	282,252	255,222	27,040	6,373	20,667	1,828	1,653	175	41	134
1950.....	281,548	257,357	24,191	5,361	18,830	1,868	1,708	161	36	125
1949.....	273,645	252,770	20,875	4,024	16,851	1,834	1,694	140	27	113
1948.....	270,994	252,292	18,702	3,722	14,980	1,849	1,721	128	25	102
1947.....	275,111	258,286	16,825	2,978	13,847	1,910	1,793	117	21	96
1946.....	285,344	269,422	16,922	2,358	13,564	2,020	1,908	113	17	96
1945.....	275,271	253,682	16,589	2,425	14,164	1,972	1,853	119	17	101
1944.....	218,474	201,003	17,471	2,768	14,703	1,582	1,456	127	20	106
1942.....	92,112	72,422	19,690	3,211	16,479	684	538	146	24	122
1940.....	63,214	42,968	20,246	3,526	16,720	480	326	154	27	127
1932.....	39,063	19,487	19,576	2,896	16,680	313	156	157	23	134
1922.....	33,219	22,963	10,256	1,163	9,093	302	209	93	11	83
1912.....	5,692	1,194	4,498	423	4,075	60	13	46	4	42
1902.....	3,373	1,178	2,195	270	1,925	43	15	28	3	24

NOTE: Because of rounding, detail does not always add to totals. ¹For years 1940 to 1951, data are as of June 30; data for 1952 and years prior to 1940 are as of fiscal year endings. ²Based on estimated population as of July 1 including armed forces overseas, except for 1940 and 1950 per capita amounts which are based on April 1 enumerations for the continental United States.

Table 9.—DEBT TRANSACTIONS OF STATE AND LOCAL GOVERNMENTS, BY LEVEL OF GOVERNMENT: 1952

Item	Amount in millions				Per capita amounts		
	All State and local	State	Local governments		All State and local	State	Local
			All local	Cities only			
Long-term debt issued, total.....	\$3,838	\$1,124	\$2,714	\$1,153	\$24.45	\$7.16	\$17.29
Original issues.....	3,742	1,110	2,633	1,127	23.84	7.07	16.77
Refunding issues.....	96	15	81	28	.61	.09	.52
Long-term debt retired, total.....	1,747	457	1,290	666	11.12	2.91	8.22
Redeemed.....	1,643	443	1,201	639	10.47	2.82	7.65
Refunded.....	104	15	89	27	.66	.09	.57
Total borrowing ¹	3,771	1,147	2,624	1,296	24.02	7.31	16.72
Total debt redemption ¹	1,786	485	1,292	671	11.38	3.15	8.23

NOTE: Because of rounding, detail does not always add to totals. Minor detail amounts shown for local governments are generally subject to high sampling variation; such amounts are included mainly for complete and convenient distribution of related aggregates, rather than as themselves representing close estimates. ¹See definitions, page 21.

Table 10.—CASH AND SECURITY HOLDINGS OF STATE AND LOCAL GOVERNMENTS, BY TYPE OF GOVERNMENT: 1952

[In millions]

Item	All State and local	State	Local governments					Special district
			All local	County	City	Township	School district	
Total.....	\$33,959	\$21,492	\$12,467	\$2,048	\$6,877	\$418	\$2,013	\$1,111
Distribution by type of holding:								
Cash and deposits.....	18,877	11,314	5,563	1,484	1,967	342	1,318	451
Federal securities.....	13,116	7,314	3,801	380	2,408	58	488	487
Own-government securities.....	2,421	323	2,099	21	2,040	1	28	9
Other State and local government securities.....	1,478	1,139	339	53	127		12	146
Non-governmental securities.....	2,067	1,401	665	110	334	17	186	18
Distribution by purpose of holding:								
Offsets to long-term debt.....	3,207	1,019	2,188	121	1,611	17	144	295
Unemployment compensation.....	7,838	7,786	52		52			
Employee retirement.....	6,406	4,011	2,395	108	2,081	12	170	26
Other insurance trust systems.....	1,014	1,014						
All other.....	15,495	7,662	7,832	1,821	3,133	389	1,689	791

NOTE: Because of rounding, detail does not always add to totals. Minor detail amounts shown for local governments are generally subject to high sampling variation; such amounts are included mainly for complete and convenient distribution of related aggregates rather than as themselves representing close estimates. ¹Includes \$7,757 million in State unemployment compensation fund balances on deposit in U. S. Treasury.

Table 11.—PERCENT DISTRIBUTION AND PER CAPITA AMOUNTS OF GENERAL REVENUE, GENERAL EXPENDITURE, AND TOTAL GOVERNMENTAL DEBT BY LEVEL OF GOVERNMENT: 1952

Item	Percent of Federal-State-local total				Per capita amounts				
	All governments	Federal	State	Local	All governments	Federal	All State and local	State	Local
General revenue, total net of intergovernmental.....	100.0	74.6	12.3	13.1	\$568.57	\$424.51	\$144.06	\$69.71	\$74.35
Taxes, total.....	100.0	75.5	12.5	12.0	503.67	380.58	123.09	62.79	60.30
Property.....	100.0		4.3	95.7	55.11		55.11	2.35	52.76
Individual income.....	100.0	96.6	3.1	0.3	184.22	177.86	6.36	5.82	.54
Corporation income.....	100.0	96.2	3.8	(¹)	140.60	135.21	5.39	5.34	.05
Sales, gross receipts, and customs.....	100.0	59.5	36.5	4.0	99.94	59.44	40.50	36.50	3.99
Death and gift.....	100.0	79.3	20.4	0.3	6.58	5.21	1.36	1.34	.02
Other, including licenses and permits.....	100.0	16.5	66.4	17.1	17.22	2.84	14.38	11.44	2.94
Charges and miscellaneous.....	100.0	67.7	10.7	21.6	64.90	43.93	20.97	6.92	14.05
Direct general expenditure, total.....	100.0	71.9	9.3	18.8	591.63	425.38	166.25	55.13	111.12
National defense.....	100.0	100.0			254.75	254.75			
International assistance and foreign affairs.....	100.0	100.0			33.06	33.06			
Postal service.....	100.0	100.0			16.64	16.64			
Education.....	100.0	13.3	15.6	71.1	61.14	8.15	52.99	9.52	43.47
Elementary and secondary schools.....	100.0	0.9	1.7	97.4	43.74	.38	43.36	.73	42.63
All other.....	100.0	44.6	50.5	4.9	17.40	7.77	9.63	8.78	.85
Highways.....	100.0	1.4	54.2	44.4	30.03	.41	29.62	16.28	13.34
Public welfare.....	100.0	1.5	49.8	48.7	18.02	.26	17.76	8.98	8.78
Categorical public assistance programs.....	100.0	0.5	58.6	40.9	12.93	.06	12.87	7.59	5.30
General relief.....	100.0		18.6	81.4	2.08		2.08	.39	1.70
Other public welfare.....	100.0	6.8	33.6	59.6	2.99	.20	2.79	1.00	1.78
Health.....	100.0	40.5	22.2	37.3	4.71	1.91	2.80	1.05	1.76
Hospitals.....	100.0	29.1	39.3	31.6	15.67	4.55	11.12	6.17	4.95
Police.....	100.0	13.1	9.8	77.1	6.88	.90	5.98	.67	5.31
Local fire protection.....	100.0			100.0	3.73		3.73		3.73
Natural resources.....	100.0	84.6	10.7	4.7	31.98	27.04	4.94	3.43	1.51
Sanitation.....	100.0			100.0	6.32		6.32		6.32
Housing and community redevelopment.....	100.0	12.1	0.4	87.5	5.57	.67	4.90	.02	4.88
Veterans' services M. E. C.....	100.0	94.5	5.5		16.37	15.47	.90		.90
Nonhighway transportation.....	100.0	75.5	4.5	20.0	6.02	4.54	1.48	.27	1.20
General control.....	100.0	33.6	20.1	46.3	11.45	3.85	7.60	2.30	5.30
Interest on general debt.....	100.0	91.4	2.2	6.4	40.80	37.29	3.52	.92	2.60
Other and unallocable.....	100.0	55.8	16.2	28.0	28.49	15.91	12.58	4.60	7.98
Total debt outstanding at end of fiscal year.....	100.0	89.6	2.4	8.0	1,842.30	1,650.55	191.74	43.79	147.96

NOTE: Because of rounding, detail does not always add to totals. Minor detail amounts shown for local governments are generally subject to high sampling variation; such amounts are included mainly for complete and convenient distribution of related aggregates, rather than as themselves representing close estimates.

¹Less than 1/20 of 1 percent.

Table 12.—EXHIBIT OF INTERGOVERNMENTAL EXPENDITURE, IN TOTAL AND FOR SELECTED FUNCTIONS: 1952

[In millions]

Item	Federal intergovernmental expenditure			State inter-governmental expenditure (all to local governments)	Local intergovernmental expenditure (gross) ¹	
	Total	To States	Directly to local governments		To States	To local governments
Total.....	\$2,585	\$2,348	\$237	\$5,044	\$156	\$319
Education.....	437	276	160	2,525	12	220
Highways.....	415	414	1	734	50	17
Public welfare.....	1,181	1,178	3	976	22	6
Health and hospitals.....	134	122	12	125	37	16
Natural resources.....	119	119		9	6	
Other, combined and unallocable.....	297	237	60	675	29	59
Employment security administration.....	181	181				
All other.....	116	57	59	675	29	59

NOTE: Because of rounding, detail may not add to totals.

¹These amounts will differ in total from local government intergovernmental expenditure shown in tables 4 and 5 because the figures in tables 4 and 5 are net of payments between units of the same type (e.g., school district tuition payments) and because the figures above as to payments by local governments to States are based on State revenue data for fiscal 1952 rather than on expenditure figures reported by sample local governments.

OTHER CENSUS DATA ON GOVERNMENTAL FINANCES

This publication provides national totals of governmental finances, by level and type of government, for fiscal 1952. More detailed data on State government finances for the same period, including statistics for each of the 48 State governments, appear in the Census Bureau's *Compendium of State Government Finances in 1952*. Additional detail for the 481 cities of over 25,000 inhabitants, including totals by State and by size class, and figures for individual cities, appear in the *Compendium of City Government Finances in 1952*. As to 1952 finances of other local governments, no more detailed information is available than that presented herein. In particular, it should be noted that the sample of such governments used to derive data for this report is not adequate in size or design to make available State-by-State totals of local government finances.

The only recent available local government aggregates by State have to do with the numbers of such governments (in the report on *Governments in the United States in 1952*) and with their employment and payrolls, as presented by function and by type of government in the publication *State Distribution of Public Employment in 1952*.

Government finance data for prior years, in terms of the classification and presentation pattern applied herein, are lacking with the following exceptions: Detailed national totals on revenue for 1951 (with some general government amounts for 1950) appear in *Governmental Revenue in 1951*; more detailed historical data on State and local government debt than are presented in this report appear in *Governmental Debt in 1952*; 48-State totals and statistics for each of the State governments for even-numbered years since 1942 appear in the Census report *Revised Summary of State Government Finances, 1942-1950*; and totals for alternate years 1942 to 1950 and for 1951 and 1952, comprising the 481 cities of over 25,000 inhabitants, appear in the *Compendium of City Government Finances in 1952*.

The most recent available State-by-State totals of local government finances were provided by the 1942 Census of Governments, but appeared, in the *Revised Summary of State and Local Government Finances in 1942*, in terms of a materially different classification pattern than that applied in the present report.