

# SUMMARY OF GOVERNMENTAL FINANCES IN 1955

GOVERNMENTAL FINANCES IN  
THE UNITED STATES 1955

DEPARTMENT OF COMMERCE  
Sinclair Weeks, Secretary  
BUREAU OF THE CENSUS  
Robert W. Burgess, Director

GOVERNMENTS DIVISION  
Allen D. Manver, Chief

G-GF55

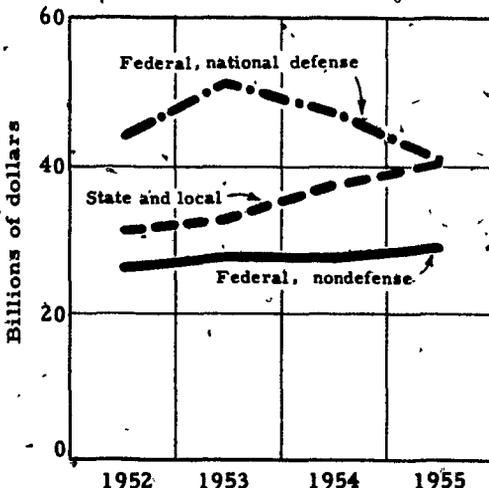
FOR RELEASE AUGUST 20, 1956

Governmental expenditure in the United States for all purposes in 1955 amounted to \$109.7 billion, nearly \$1 billion less than the previous year's total of \$110.5 billion. A decrease of 6 percent in Federal Government expenditure, resulting from a \$6 billion reduction in national defense spending, more than offset a 10 percent increase in expenditure of State and local governments.

Public expenditure for all purposes other than national defense continued to rise, reaching \$69 billion in the fiscal year 1955, as compared with \$63.7 billion the previous year and \$59.4 billion in fiscal 1953. State and local governments account for a major portion of all non-defense spending. As indicated by the chart below, their expenditure in fiscal 1955 amounted to \$40.4 billion—nearly equal to the Federal Government's spending for defense and much more than Federal payments for all other purposes.

In per capita terms, total 1955 expenditures of all governments was \$664, with national defense accounting for \$246 per capita and all other public functions for \$418 per capita.

Fig. Y--GOVERNMENTAL EXPENDITURE  
1952 TO 1955



Education, which ranks in cost second only to national defense as a governmental function, involved \$12.7 billion of public expenditure in 1955, or \$77 per capita. This was 13.5 percent more than educational spending of the preceding year.

As in 1954, interest on general governmental debt ranked next to education in amount of expenditure, requiring \$6.7 billion or \$41 per capita in 1955. Approximately \$6.5 billion was spent by governments for the Nation's highways in 1955. Highway expenditure, up 17 percent from the 1954 level, totaled \$39 per capita. The other functions of government ranked considerably below defense, education, and highways in volume of 1955 expenditure.

Governmental revenue from all sources totaled \$107.6 billion in the fiscal year 1955, or \$1.6 billion less than in the previous year. The decline was entirely accounted for by a drop in Federal tax yields (off from \$62.4 billion to \$57.6 billion). Other Federal revenues, as well as tax collections and most other sources of State and local government revenue, moved upwards. The 1955 tax total was \$81.1 billion, or \$491 per capita, with the Federal Government collecting 71 percent, the States 14 percent, and local governments the remaining 15 percent of all taxes.

Charges for services, sales of products, and miscellaneous general revenue sources produced \$12.4 billion in 1955, or 12 percent of total governmental revenue. Federal revenues of this nature increased 7.5 percent, to \$7.9 billion. General revenue of State and local governments from charges and miscellaneous sources amounted to \$4.5 billion, up 12.1 percent from the previous year. Sales of State and local government liquor stores and of local water, electric, transit, and gas utilities amounted to \$3.7 billion, or 3 percent of all public revenue. Liquor store and utility sales were up 6 percent from the 1954 level. The remaining \$10.4 billion of governmental revenue--nearly 10 percent of the total--came from employer and employee contributions for insurance trust systems and investment earnings of such systems. Insurance trust revenue was 5 percent greater in 1955 than in 1954.

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 \$73.1 billion in revenue in 1955 and the State and local governments had revenues of \$16.7 billion and \$17.8 billion respectively.

Governmental debt at the end of fiscal year 1955 stood at \$318.6 billion, with 86 percent of this comprising obligations of the Federal Government. Total governmental debt was 3 percent more than at the end of 1954. For each level of government--Federal, State, and local--the 1955 debt level represented a record end-of-year high. State debt was \$11.2 billion, 17 percent more than a year earlier; local government debt totaled \$33.1 billion, up 13 percent. Nearly half of all local government indebtedness was debt of cities; the remainder consisted of obligations of school districts, special districts, counties, and townships.

New borrowing to finance State and local expenditures totaled \$6.8 billion during the fiscal year 1955, whereas debt redemption during the year was only \$2.2 billion.

On the asset side, cash on hand and on deposit, plus investment holdings of State and local governments, amounted to \$42.8 billion at the end of fiscal year 1955, or 6 percent more than at the end of the preceding year. Of this amount, \$3.8 billion was held in sinking funds specifically for future redemption of debt. The bulk of the remainder represented assets held for other special purposes such as unemployment compensation and employee retirement, and holdings of other earmarked funds. A significant but unmeasured part of all State and local governments' holdings of cash and temporarily invested funds represent proceeds of large scale borrowing operations which have not yet been expended for the projects to which they are intended to be applied.

REVENUE BY SOURCE

Total governmental revenue in the fiscal year 1955 was off somewhat from the previous year's record high, with a rise of \$2.2 billion in revenue of State and local governments more than offset by a \$3.7 billion drop in Federal Government revenue.

As shown in this report, governmental revenue 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 governments 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.

Table 1 shows summary governmental revenue data for 1955, 1954, and 1953. Tables 2 through 5 and 14 to 16 show additional detail and derived statistics on revenue, and table 21 presents per capita amounts.

GENERAL REVENUE

Taxes.--Tax revenues for all governments, totaling \$81.1 billion in the fiscal year 1955, were off 4 percent from the 1954 level. Federal tax collections were down 8 percent; State tax yields rose 5 percent, and local taxes 8 percent. Taxes provided 79 percent of all revenue of the Federal Government but only 63 percent of the revenue of State and local governments.

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 less than 4 percent of State tax revenue in 1955. However, property taxes yielded \$10.3 billion in revenue for local governments in 1955--43 percent of revenue of these units from all sources, and nearly half of their general revenue from all sources.

In 1955, local property tax revenue was distributed as follows among the various types of State and local governments:

Type of government	Percent
All property taxes .....	100.0
States .....	3.8
Cities .....	35.1
School districts .....	32.2
Counties .....	20.8
Townships .....	5.9
Special districts .....	2.2

For all types of local governments except the special districts (which derive their revenues largely from charges for their services and utility sales), the property tax is 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 \$46.6 billion in Federal tax collections in 1955. Although

not all State governments levy income taxes and State rates are far lower than Federal rates, the States also obtained \$1.8 billion from taxation of income in 1955. 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 \$150 million in 1955, almost entirely from city income and payroll taxes.

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 excise taxes on a lengthy list of specific commodities and services. These Federal excise taxes and customs duties yielded \$9.6 billion, or 17 percent of Federal tax revenue in 1955.

All States levy sales or gross receipts taxes on sales of motor fuel and other specific commodities and services. In addition, 32 States in 1955 had general sales taxes applying, subject to specific exceptions, to sales of all types of goods, or of goods and services, or to gross income. The States collected \$6.9 billion from their various sales taxes in 1955, or 59 percent of all their tax revenue.

In 1955 local governments realized about \$0.8 billion from general and selective sales taxes.

Other taxes.--Taxes other than those on property, income, or sales yielded governments \$4.5 billion in 1955. The largest individual taxes included in this aggregate were death and gift taxes, from which \$1.2 billion was collected in 1955, and motor vehicle and operators' license taxes, which yielded \$1.3 billion in 1955. The remainder of miscellaneous tax revenue came from a variety 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 \$12.4 billion in the fiscal year 1955, or over 11 percent of total governmental revenue.

Charges for 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. Charges for services are included in governmental revenue on a gross basis without offset for cost of producing or buying the commodities or services sold.

For the Federal Government, the total of \$6.1 billion received as charges for services in the fiscal year 1955 comprises numerous items of a highly diverse nature, including \$2.4 billion of postal receipts; receipts from sales

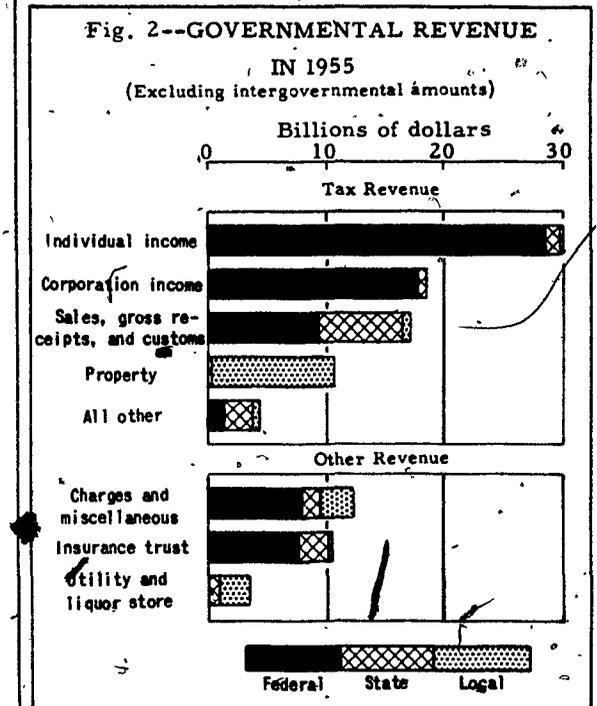
(other than to Federal agencies) by the Commodity Credit Corporation and other government corporations; rental receipts from Federal housing projects; insurance premiums for housing insurance; reimbursement of appropriations from proceeds of sales; charges for subsistence and quarters collected from government personnel; advances from foreign governments for purchase of military and other supplies, equipment, and services; and many other items.

Federal revenue in fiscal 1955 from sales of goods and services is detailed in table 3 in terms of the governmental functions involved.

State and local revenue from charges for services totaled \$3.0 billion in 1955 and was distributed by function as shown in table 4.

Special assessments.--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 amounted to approximately \$239 million in 1955.



**Interest earnings.**--General revenue from interest earnings totaled \$854 million for all governments in 1955. Such revenue consists of interest on governmental loans and on securities held by governments, other than such investments held as assets by employee retirement and social insurance funds. The latter type of earnings is classified as insurance trust revenue rather than general revenue. 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 of agencies or funds of the same government.

As indicated by table 19, a major portion of all investment 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. Federal general revenue from interest earnings also includes amounts on securities of State or local governments and interest on Federal securities held as investments by Federal funds, other than the insurance trust funds. Therefore, a significant portion of governmental revenue from interest is received from governments, rather than from other sectors of the economy. Much of this total represents interest on securities held by funds of the issuing government itself.

**Sale of property.**--Governmental revenue from sale of property, approximately \$485 million in 1955, comprises receipts from disposal of real property and improvements but not receipts from the sale of personal property or financial assets.

**Miscellaneous general revenue.**--Miscellaneous general revenue sources consist 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. These revenue sources provided \$1.8 billion for governments in 1955.

#### UTILITY AND LIQUOR STORE REVENUE

Sales receipts of State and local liquor stores and local water, electric, gas, and transit utilities amounted to \$3.7 billion in 1955, or nearly 10 percent of all revenue of State and local governments. Such revenues are, of course, largely offset by the cost of purchasing or producing the commodities and services sold, and only any net excess of sales revenue over the cost of producing this revenue would be available for financing other types of governmental services. In the fiscal year 1955, as indicated by table 14, local expenditure for

utility purposes (including, it may be noted, capital outlays and interest on utility debt, as well as current operation expenditure) was somewhat more than the total of local utility revenue, although an excess of revenue is shown for local electric power systems. For both State and locally operated liquor stores, sales revenue exceeded expenditure in 1955, as shown in table 15.

There are, in addition to the specific activities listed above, numerous other revenue-producing activities at the several levels of government which are not classified as utilities in this report. These are indicated by the tabulations of "charges for services" in tables 3 and 4.

#### 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 \$10.4 billion in 1955, or 5 percent more than in 1954.

This rapidly growing field of governmental activity is distinguished sharply from general governmental 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, total insurance trust revenue in 1955 exceeded total insurance trust expenditure by \$1.4 billion.

Approximately 86 percent of insurance trust revenue in 1955 came from contributions of 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 and State and local employer contributions to the Federal Old-Age and Survivors Insurance fund.

The remaining 14 percent of insurance trust revenue in 1955 was derived from earnings on investments of accumulated reserves of insurance funds. These investments and the earnings thereon include substantial sums, particularly for the Federal Government, for securities of the government held by its own insurance funds.

Table 16 shows a distribution of insurance trust revenue, by source of revenue and by insurance program, together with data on insurance trust expenditure.

Insurance trust amounts herein 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 by State-administered 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 District of Columbia) activity. Federal transactions relating to the operation of the State unemployment compensation systems (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.

#### 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 \$9.8 billion in 1955. These transfers considerably affect the 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 \$65.5 billion from general Federal sources in 1955 (i.e., excluding insurance trust revenue), and transferred \$3.1 billion to State and local governments, leaving \$62.4 billion of 1955 general revenue for "own" Federal Government purposes.

The State governments' role was more complex. The States received \$13.2 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 \$3 billion. In turn, the States distributed nearly \$6 billion to their local governments, so that the net general revenue available for direct State expenditure for "own purposes" was only \$10.2 billion.

Local governments raised from local sources \$14.7 billion of general revenue in 1955 (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 \$6.9 billion. In turn, local governments distributed about \$0.7 billion to their State governments and to other local governments, leaving them with a net amount of general revenue available for local expenditure of \$20.9 billion.

#### EXPENDITURE BY CHARACTER AND OBJECT

Governmental expenditure aggregated \$109.7 billion in fiscal year 1955. Of this, direct expenditure of the Federal Government accounted

for \$69.3 billion. Direct expenditure of State governments totaled \$14.4 billion, and that of local governments \$26.0 billion. These are expenditure amounts for "own purposes" of each level of government. In the case of the Federal Government, direct expenditure in 1955 was 6 percent below the 1954 level. State direct expenditure was up 10.5 percent and local government direct spending 10.2 percent.

In 1955 the Federal Government disbursed, in addition to its direct expenditure, \$3.1 billion in payments to State and local governments; the State governments paid \$6 billion to local governments, and the local governments paid \$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 government expenditure total includes (on a gross basis) payments to the public made by governmental enterprises and trust funds.

#### CURRENT OPERATION

Of all public spending in the fiscal year 1955, exactly one-half, \$54.7 billion, was for current operation. This includes most public payrolls, 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 \$31.5 billion, or nearly three-fifths of the current operation total for all governments. State and local governments spent \$23.2 billion for current operation in 1955. 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 \$30.1 billion in 1955, or about one-fourth of total governmental expenditure. A substantial portion of this total, \$15.4 billion, was accounted for by Federal purchases of military equipment--planes, ships, weapons, and the like.

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 purchases 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 and ship construction.

Governmental expenditure for capital outlay in 1955 was distributed by governmental function as shown in table 12.

#### 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 \$8.9 billion in the fiscal year 1955. Although the Federal Government accounted for most of this sum (\$6.3 billion), State and local payments for assistance and subsidies also were substantial (\$2.7 billion).

Following is a distribution of governmental expenditure in 1955 for assistance and subsidies, by major program (in millions):

Program	ALL governments	Federal	State and local
Total.....	\$8,942	\$6,282	\$2,660
National Defense.....	613	613	...
International assistance	1,157	1,157	...
Education (largely veterans' educational benefits).....	745	701	43
Public welfare (largely public assistance)....	2,512	13	2,499
Natural resources (largely agricultural benefits).....	419	411	8
Veterans' pensions, bonuses, and other noneducational benefits	2,906	2,857	49
All other.....	590	530	61

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 \$6.9 billion in 1955. Of this, approximately 85 percent was paid out by the Federal Government. State governments accounted for less than one-fourth of the remaining

15 percent and local governments for the balance. The local government total includes \$220 million paid on utility debt, as well as \$587 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 governments (see discussion of interest earnings above). About \$985 million or 17 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 governments.

#### INSURANCE TRUST BENEFITS AND WITHDRAWALS

Insurance trust expenditure--i.e., benefit payments and refunds of contributions of insured persons--totaled \$9 billion in 1955, marking an increase of 20 percent from the 1954 level or of 50 percent from the fiscal 1953 level. Over two-thirds of this total represents Federal payments, with the States accounting for \$2.4 billion and local governments for the remaining \$353 million in 1955.

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 personnel cut across the classification of expenditure by character described above since, although most public employees are engaged in current operation activities, some are being paid for force-account construction work. The total of payroll expenditure by governments was \$34.9 billion in the fiscal year 1955, including Federal pay and allowances for armed forces personnel amounting to \$9.4 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 totaled \$25.5 billion for fiscal 1955. Of this, \$4.8 billion was for civilian personnel of the Federal defense establishment, \$5.2 billion represented all other Federal payrolls, \$3.8 billion was paid to State employees, and the remaining \$11.7 billion was for local government payrolls. Nearly half of the local government amount was paid to teachers and other personnel concerned with public education. In October 1955, the number of civilian employees on governmental payrolls totaled 7.4 million, including over 800 thousand engaged only on a part-time basis. Below is a summary functional distribution of civilian public employment as of October 1955 and civilian payrolls for the fiscal year 1955. The employment data are summarized from the Bureau of the Census report, State Distribution of Public Employment in 1955.

Function	All	Federal	State and local
	Number of employees October 1955 (thousands)		
Total.....	7,432	2,378	5,054
National Defense.....	1,161	1,161	...
Postal service.....	509	509	...
Education.....	2,181	12	2,169
Highways.....	478	3	475
Health and hospitals..	690	171	519
Police and fire protection.....	475	22	453
Natural resources....	287	161	126
General control.....	530	110	420
Local utilities.....	228	...	228
All other.....	893	229	664

Function	All	Federal	State and local
	Payroll for fiscal year 1955 (millions of dollars)		
Total.....	34,916	19,377	15,539
National Defense.....	14,211	14,211	...
Postal service.....	2,077	2,077	...
Education.....	6,772	56	6,716
Highways.....	1,469	23	1,446
Health and hospitals..	1,987	498	1,390
Police and fire protection.....	1,624	116	1,508
Natural resources....	1,035	680	356
General control.....	1,509	502	1,007
Local utilities.....	920	...	920
All other.....	3,312	1,214	2,196

#### INTERGOVERNMENTAL EXPENDITURE

The foregoing discussion 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 considering the total magnitude of expenditure or comparing revenues with expenditures for particular governments or types of governments.

Intergovernmental expenditure consists of grants-in-aid, shared taxes, payments in lieu of taxes, and reimbursements for services between governments. 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 1955 (amounts in millions):

Item	Total	To States*	Directly to local governments
Total.....	\$3,099	\$2,731	\$368
Grants-in-aid.....	2,852	2,521	331
Shared revenues.....	58	44	14
Payments in lieu of taxes.....	5	1	3
Payments for services (including tuition payments for veterans' education).....	183	165	18
Other payments.....	2	...	2

\* Includes sums redistributed to local governments.

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 \$6 billion in fiscal 1955. This is over two-fifths of the total amount of all other--i.e., direct--State expenditure. Almost all State intergovernmental expenditure is made through grant-in-aid or revenue-sharing programs. A relatively small portion consists of 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 corresponding Federal and State amounts, amounting in 1955 to \$226 million of local-to-

State payments and an estimated \$512 million of local-to-local payments.

Intergovernmental transactions, by function and level of government, are shown in table 7 for the years 1953, 1954, and 1955.

#### EXPENDITURE BY FUNCTION

The foregoing discussion has been concerned mainly with the forms of governmental expenditure (see tables 6 and 11) rather than the purposes for which expenditures are made. Table 8 of this report shows the distribution of general 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 (1) benefit and refund payments of public employee retirement and other social insurance systems, and (2) specifically indicated kinds of spending for State and local liquor stores, and for local water, electric, transit, and gas utilities.

General expenditure of all governments totaled \$96.8 billion, or 88 percent of total 1955 spending for all purposes. The major functions accounting for general expenditure are discussed below in the order of magnitude of 1955 expenditure, which differs somewhat from their order of presentation in table 8.

**National Defense**--Military purposes accounted for by far the largest component of governmental expenditure in 1955. National defense expenditure of the Federal Government totaled \$40.7 billion, 59 percent of all direct Federal expenditure and about 37 percent of total expenditure for all governments--Federal, State and local.

Total defense spending in 1955 was down 13 percent from the 1954 amount, or nearly 20 percent from the 1953 level. A little less than one-third of national defense expenditure in 1955 was for personal services (mainly for pay and allowances for armed forces), and nearly 44 percent was for capital outlay (mainly procurement of ships, aircraft, weapons, and other equipment).

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 international military aid, the atomic energy program, 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) 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 classified in other functional categories are closely related to current or past defense efforts. Items which might be so viewed include veterans' benefits and services, interest on war debt, civil defense, expansion of defense production, and other defense-related operations of numerous agencies and departments.

**Education**--The second largest function of government in terms of expenditure is education, for which \$12.7 billion was spent in 1955. Education expenditure increased 13.5 percent between 1954 and 1955. Substantial expenditure for education is made by each governmental level but the kinds of educational services rendered at various levels differ markedly in nature.

Direct Federal spending for education--\$0.8 billion in 1955--was primarily for veterans' educational benefits. Only payments to individual veterans and to private institutions for veterans' education are counted as direct Federal expenditure under this heading. 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 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 \$521 million in 1955.

State direct expenditure for education--\$1.9 billion in 1955--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 \$260 million in 1955. Amounts shown for State higher education expenditure are exclusive of interest on institutional debt (classified as State expenditure for interest), and of spending for hospitals operated by State universities (classified as hospital expenditure),

and agricultural experiment stations and extension services (classified as natural resources expenditure). In addition to higher education, the States disbursed \$227 million in 1955 as direct expenditure for elementary and secondary schools. Such expenditure includes payments by the State of North Carolina for salaries of teachers which are made, in this case, by the State government rather than by local governments as is the usual practice; State operation of certain local schools in Delaware and Maine; and construction of local school facilities by State school building authorities in a number of States. State supervision of education, State schools for the handicapped, and special educational programs accounted for the other \$210 million of direct State education expenditure in 1955.

In addition to their direct expenditure for education in 1955, the States distributed over \$3.1 billion in aid to local governments for education--more than one-half of the total of State aid for all purposes.

Local governments spent \$10 billion for education in 1955, or \$1.2 billion more than was spent by them for this purpose in the preceding year. A continuing high level of school construction and other capital outlays in 1955--a total of \$2.7 billion--accounted for a substantial portion of total local government expenditure for education. 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, duplicative intergovernmental payments, and retirement benefits paid to former education employees. It includes gross expenditure for the school lunch program and other cafeteria operations, as well as school health, recreation, and library services administered by local school systems. Intergovernmental expenditure between local governments for education totaled about \$376 million in 1955 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 1955. Approximately \$6.7 billion was spent for this purpose (which does not include the \$220 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 evidence of debt. It does not include interest accrual, such as that on Federal savings bonds,

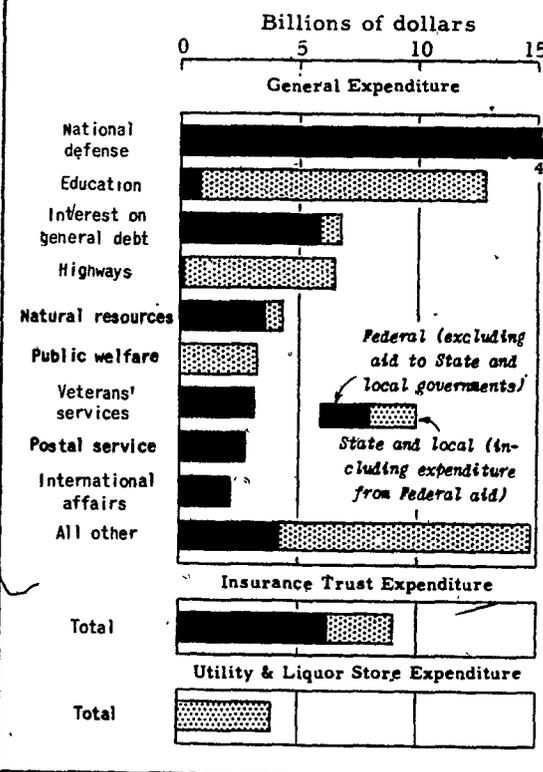
nor does it include interest paid to individuals on savings deposits (i.e., postal savings accounts, and savings deposits of military personnel). It excludes also interest on tax refunds, or on loans or advances between funds of the same government (e.g., advances to government business enterprises and revolving funds).

**Highways**--Provision and maintenance of highway facilities, including toll turnpikes, bridges, and tunnels and ferries as well as regular roads, highways and city streets, required \$6.5 billion of public expenditure in 1955. Although the Federal Government provides substantial grants for financing of State and local highways (\$589 million in 1955), its direct expenditures for this purpose totaled only \$68 million.

The State governments, in turn, provide substantial financial assistance to local governments for highway purposes (\$911 million in 1955) but the \$3.9 billion of direct State expenditure for highways accounted for three-fifths of the total spent by all governments for this function in 1955.

The local governments, with substantial financial assistance from the States, spent \$2.6 billion for highway purposes in 1955. As indicated above, more than one-third of this total was financed from State grants.

Fig. 3--GOVERNMENTAL EXPENDITURE BY FUNCTION IN 1955



About two-thirds of public expenditure for highways in 1955 (\$4.3 billion out of \$6.5 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 1955 the amount spent for construction and operation of highway facilities was again up sharply--to \$953 million as against \$561 million the year before and \$264 million in the fiscal year 1953. The operation of toll facilities, as distinguished from construction and other capital expenditures, accounted for only \$78 million of total 1955 expenditure for toll facilities. Toll charges, which, of course, are generally set to cover debt service as well as operation costs, brought in \$227 million during the year.

**Natural Resources.**--Conservation and development of natural resources--agricultural, forest, mineral, electric power, and the like--involved \$4.3 billion of governmental expenditure in 1955.

The Federal Government accounted for \$3.5 billion of this total. Federal expenditures under this heading include, as to farm price stabilization programs, commodity purchases for price support without any offset for commodities resold to private buyers during the year, but do 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.). Federal natural resources programs also include farm crop and mortgage insurance and other farm credit activities; other aids to agriculture and agricultural research activities; multipurpose power and reclamation projects, such as the T. V. A., and projects of the U. S. Bureau of Reclamation and Army Corps of Engineers; and Federal activities in irrigation, drainage, reclamation, flood control, soil conservation, forestry and parks, and mineral resources. Table 9 shows the major components of Federal spending for natural resources.

The \$597 million spent by State governments for natural resources in 1955 was distributed by program as shown in table 10. Local government natural resources activities involved about \$196 million of expenditure in 1955.

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 activities. 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.

A distinction is also drawn between electric energy production programs of Federal and State governments, classified here under natural resources, and the production and distribution of electric power by local government agencies, classified as local utilities and excluded from the category of general government functions.

**Public Welfare.**--As used in this report, the term "Public welfare" is limited to governmental activities for institutional and noninstitutional assistance to the needy, and administration of such assistance. Approximately \$3.2 billion was spent by governments for such purposes in 1955.

As in the case of highways, there is extensive Federal participation in public welfare through grants to the State and local governments for public assistance (\$1.4 billion in 1955) but direct Federal expenditure for programs for the needy is relatively small (\$42 million in 1955).

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 1955, the States spent directly \$1.6 billion for public welfare and passed on \$1 billion to local governments (including moneys from Federal sources), thus providing the major portion of the \$1.6 billion spent by local governments for public welfare.

The "categorical" public assistance programs--old-age assistance, aid to dependent children, aid to the blind, and aid to the disabled--accounted for 71 percent of all public welfare expenditure in 1955. Other public assistance, which is wholly financed from State and local sources, accounted for only 12 percent of the welfare total. The remaining \$550 million spent in 1955 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; other public assistance includes current operation expenditure for commodities and services furnished to the needy (e.g., vendor payments), as well as cash payments to beneficiaries. All administration costs are included in the classification "Other public welfare."

**Veterans' Services, Not Elsewhere Classified.**--Ranking next to public welfare in total 1955 expenditure, 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 nearly \$3.1 billion in 1955. This category comprises principally Federal payments for compensation and pensions of veterans; however, the category also includes

expenditure for Federal administration of veterans' affairs and \$61 million of State government expenditure, chiefly veterans' bonus payments. While relatively small in 1955, State payments for veterans' bonuses and services have been of considerable magnitude since World War II, totalling \$3.1 billion in the 10 fiscal years 1946 through 1955.

The classification of veterans' benefits and services used in this report differs from that sometimes found elsewhere, 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 \$5.2 billion would appear as representing identifiable expenditure specifically for veterans in 1955 by all levels of government, and amounts for certain other categories would be correspondingly reduced. A distribution of Federal expenditure for veterans' affairs, showing where amounts are included under various functional categories in this report, is presented in table 9.

**Postal Service.**--Expenditures by the Federal Government for the postal service in 1955 totaled \$2.7 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."

The postal service constitutes, next to national defense, the largest operating function of the Federal Government in terms of employment of personnel and performance of direct services. The \$2.1 billion expended in 1955 for wages and salaries of postal workers, for example, was three times the personal services cost of any other nondefense Federal function.

**Hospitals.**--Public hospitals involved \$2.7 billion of governmental expenditure in 1955. Hospital expenditure as shown in this report is limited to operation, maintenance, and construction of publicly owned hospital facilities.

The Federal Government accounted for about one-fourth of all direct expenditure for hospitals, devoting \$599 million to veterans' hospitals and \$69 million to other Federal hospital facilities. However, these figures do not include an additional \$43 million in hospital construction grants to private nonprofit institutions and to territories and possessions (classified here under "Health" rather than "Hospitals") nor the \$30 million granted for hospital construction to State and local governments, which is treated as a Federal intergovernmental expenditure.

State-operated hospitals involved \$1.1 billion of expenditure in 1955, while locally operated institutions accounted for the remaining \$0.9 billion of public hospital expenditure. Included in these State and local amounts was \$321 million for capital outlays.

**International Assistance and Foreign Affairs.**--Expenditures for economic and technical assistance and administration of foreign affairs totaled \$2.2 billion in 1955, 31 percent more than in the preceding year but about the same as 1953 expenditure of this nature.

In accordance with the definition of expenditure used in this report, loans to foreign governments are not included in the expenditure total. The expenditure amount does, however, include the cost of goods, services, and equipment purchased and furnished to foreign governments from moneys advanced by them.

**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 nearly \$2.1 billion in 1955.

At the Federal level, such expenditures, which are about three-fourths for financial administration, accounted for only 0.9 percent of total direct Federal expenditure. The proportion was substantially higher for States (3.1 percent) and local governments (3.9 percent).

**Police.**--Federal, State, and local police protection cost \$1.4 billion in 1955. The bulk of this amount, \$1 billion, was expended by local governments, mainly cities. Federal expenditure of \$129 million was primarily for the Federal Bureau of Investigation, Immigration and Naturalization Service, Bureau of Narcotics, and Secret Service. State expenditure of \$139 million was chiefly for highway police activities.

**Nonhighway Transportation.**--In addition to spending for highway facilities (discussed above) and local transit utilities (see below), governments spent about \$1.1 billion in 1955 for other types of transportation facilities and services. These expenditures are summarized in tables 9 and 10, by level of government and kind of transportation.

The Federal Government has several business enterprises of substantial size in the field of nonhighway transportation. These include the Panama Canal, Alaska Railroad, and Inland Waterways Corporation. For such agencies, this report includes expenditure amounts without offset for revenues from operations (\$104 million in 1955). In addition, large Federal expenditures are made for facilitating air transportation, subsidizing ship construction and merchant marine operations, improvement of navigation facilities, and such aids to water transportation as Coast Guard and Coast and Geodetic Survey services. However, Federal expenditure for nonhighway transportation does not include regulatory functions of the Interstate Commerce Commission and the Civil Aeronautics Board, which are classified elsewhere.

At the State and local level, nonhighway transportation includes such services as canals, port and terminal facilities, airports, and off-street parking facilities. Gross State and local

revenue from charges for these facilities totaled \$191 million in 1955. State and local activities classified under nonhighway transportation do not include State regulation of private transportation facilities nor do they include local transit facilities.

**Sanitation.**--The provision of sewerage facilities and collection and disposal of trash, garbage, and other debris--almost exclusively a function of local governments--involved local expenditure of \$1.1 billion in 1955.

**Health.**--Governmental expenditure for health services totaled \$0.7 billion in 1955. Of the \$237 million direct Federal expenditure included in that sum, \$113 million was for medical services to veterans (other than through veterans' hospitals), \$43 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, \$470 million in 1955, was for the Federally aided programs, health regulation activities, and other health services. This does not include provision of hospitals, nor expenditures for sanitation, other than sanitary inspection and regulatory services.

**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 \$0.7 billion in 1955, of which wages and salaries of employees accounted for three-fourths.

Although fire protection is a fundamental local government service, it accounted, in 1955, for only 2.7 percent of the total direct expenditure of local governments.

**Housing and Community Redevelopment.**--Public expenditure for housing and community redevelopment totaled \$0.6 billion in 1955, not including Federal loan disbursements for the Federal housing programs. Housing activities of the Federal Government, for which \$112 million was spent in 1955, 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 here 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 1955. Local governments, however--usually through independent local housing authorities, but also

through city-administered housing activities--spent \$497 million in 1955. Of this amount, \$192 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 and community redevelopment. In 1955 local rental income from public housing facilities was \$269 million which, of course, includes amounts intended to cover debt service charges as well as project operating costs.

**Local Parks and Recreation.**--This function comprises the provision of parks, swimming pools, auditoriums, museums, and other recreational facilities by local governments. It does not include expenditures for State and national parks, which are classified under "Natural resources." Local governments spent \$0.5 billion for recreational purposes in 1955.

**Other General Government Functions.**--Public expenditure for general functions not accounted for in the foregoing discussion totaled \$3.7 billion in 1955. Major components of the Federal Government's \$1.6 billion share of this amount are indicated in table 9. State and local governments spent their \$2.1 billion, not accounted for above, as shown in table 10.

**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 \$9 billion in the fiscal year 1955. Partly because of the relative newness of many of the existing systems for insurance, expenditures for insurance benefits were less, by \$1.4 billion, than insurance trust revenue from contributions and investment earnings during this year.

Old-Age and Survivors Insurance benefits made up nearly half (\$4.3 billion) of all insurance trust payments in 1955. Life insurance benefit payments and premium refunds to veterans accounted for \$0.7 billion; unemployment compensation payments, chiefly by the States, required \$2 billion; and payments to retired employees of Federal, State and local governments approached \$1.2 billion. The remaining social insurance benefits were divided by program as follows (in millions):

Railroad retirement benefits (Federal) ..	\$570
State workmen's compensation benefits (State-administered plans only and not including payments by commercial insurers) .....	196
Miscellaneous State temporary disability and sickness insurance benefits .....	62

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.

Data on insurance trust revenue and expenditure are presented in detail in table 16.

**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 1955 expenditure total of \$3.9 billion includes amounts for wages and salaries, 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, equipment, land and other additions to utility plant; and for interest payments on utility debt. The figures do not include the cost of producing services consumed by the parent government of a utility in carrying out general governmental functions. Tables 14 and 15 show major categories of expenditure made for utility and liquor store purposes in 1955.

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

**GOVERNMENTAL LOAN TRANSACTIONS**

In addition to the kinds, sources, and purposes of governmental revenues and expenditures discussed above, the Federal Government disburses and receives substantial sums relating to loans to foreign governments, to State and local governments, and to 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 transactions, it has not been possible to accumulate comprehensive data for this report. For the Federal Government, however, figures appearing in "Special Analysis C" of the 1957 U. S. Budget indicate the following amounts of gross loan disbursements and repayments during the fiscal year 1955 (in millions):

Item	Disbursements	Repayments
Total.....	\$8,284	\$6,928
International assistance and foreign affairs.....	352	282
Natural resources (largely farm credit and price support loans).....	6,806	5,806
Housing and community redevelopment.....	865	691
Veterans' services.....	145	57
All other.....	116	102

**GOVERNMENTAL DEBT**

Total governmental debt at the end of the fiscal year 1955 was \$318.6 billion, as compared with \$310.2 billion at the end of the 1954 fiscal year. Outstanding debt of State and local governments amounted to \$44.3 billion at the end of 1955, having increased \$5.3 billion since the end of 1954. Public debt of the Federal Government also increased in this period, from \$271.3 billion to \$274.4 billion.

State debt increased sharply in fiscal 1955, reaching a new high of \$11.2 billion as compared with \$9.6 billion at the end of the fiscal year 1954. Total debt of local governments rose \$3.7 billion to a new record of \$33.1 billion at the end of the fiscal year 1955.

In fiscal 1955, approximately \$7.4 billion of long-term debt was issued by State and local governments, including about \$315 million of refunding issues. Retirement of previously outstanding long-term debt was only about one-third as great, comprising about \$2.2 billion redeemed and \$315 million refunded during fiscal 1955.

**STATE AND LOCAL CASH AND SECURITY HOLDINGS**

Cash on hand and on deposit plus security holdings of State and local governments amounted to \$42.8 billion at the end of fiscal year 1955, \$2.5 billion more than at the end of the preceding year. Of this amount, \$3.8 billion was held in sinking funds specifically for redemption of debt, \$8 billion comprised the balances in State unemployment compensation trust funds on deposit in the U. S. Treasury, \$9.9 billion represented assets of State and local employee retirement funds, and the remaining \$21 billion was held by other State and local funds.

Among the invested assets of State and local governments, the predominant type of investment was United States Government securities, of which these governments held \$14.7 billion worth at the end of fiscal 1955. They also had \$5 billion in State and local securities and \$4.2 billion in nongovernmental security holdings. In addition to securities held by State and local governments, the approximately \$8 billion of State unemployment compensation fund deposits

in the U. S. Treasury was invested by the Treasury in Federal securities.

Although nongovernmental securities still represent only one-sixth of all securities held by State and local governments, this component has been rising rapidly, moving from less than \$2.5 billion at the end of fiscal 1953 to \$3.2 billion the next year and then by the end of 1955 to a level of \$4.2 billion. About two-thirds of these nongovernmental securities are held by retirement funds of State and local governments.

Table 19 shows cash and securities data covering all holdings of State and local governments, and table 20 supplies added detail as to their employee retirement fund 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 aspects of data classification and presentation. (Comprehensive glossaries appear in the Bureau of the Census' 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 in 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 from

borrowing and payments for debt redemption. "Borrowing" comprises long-term debt issued, other than that to refund existing long-term debt or to fund short-term obligations, plus, for the individual government, any net increase of short-term debt outstanding. "Debt redemption" comprises long-term debt retired, other than debt refunded by issuing of long- or short-term obligations, plus, for the individual government, any net decrease in short-term debt outstanding. The computation of changes in short-term debt excludes (1) retirement of such debt through funding and (2) issuance of short-term debt to retire long-term obligations.

### "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 and 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 .....	67,346
Special districts .....	12,319

A subsequent Census survey reported that by 1954 the number of school districts had declined in number to 59,631.

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

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 1955 relate, with a few minor exceptions, to governmental fiscal years ended during calendar 1955. For the Federal Government most school districts, and all except 4 of the 48 States, this means the 12 months ended June 30, 1955. There is more variation among other governments, with a considerable proportion operating in terms of a fiscal year ending December 31.

### SOURCES AND DERIVATION OF DATA FEDERAL FINANCE STATISTICS

The Budget of the United States Government for the Fiscal Year 1957 (which presents "actual" data for 1955) 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 1955 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.

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 Bureau of the Census 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 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 H" 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 item-by-item adjustment of expenditure figures, Federal data were classified in terms of the Bureau of the Census functional classification of expenditure. As to defense expenditure, the Budget and Census functional classifications are identical, although differences in expenditure definition result in different expenditure totals for this function. For other functions, the classifications differ because that of the Bureau of the Census 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 10. 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. A third major difference is in the treatment of interest expenditure. Budget expenditure data include interest on savings bonds accruing during the year and exclude interest payments made on redemption of such bonds. For this report, accrual amounts have been deducted and payments at time of redemption added to arrive at cash interest payments during the year.

#### STATE GOVERNMENT STATISTICS

Except for the functional distribution of payroll amounts (see footnote 1, table 13), 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 Bureau of the Census 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 1955, and from unpublished records and worksheets relating thereto.

#### LOCAL GOVERNMENT STATISTICS

Cities over 25,000.--City government information in this report for cities having 25,000 or more inhabitants is based on the Bureau of the Census annual survey of city finances and includes data for all such cities. Statistics for these cities are drawn largely from city finance data published in the Census report, Compendium of City Government Finances in 1955, and from unpublished records and worksheets relating thereto. 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. 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).

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. Data for these sample local governments (as in the case of cities having 25,000 to 250,000 inhabitants) 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 Bureau of the Census 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 12 key items of data has been computed, and the results are given in the table below:

Item	Sampling variation*	
	State and local aggregates	Local government aggregates
Revenue from:		
Own sources.....	0.6%	1.2%
Property taxes only.....	1.2	2.2
Expenditure for:		
Elementary and secondary schools.....	2.0	2.1
Highways.....	1.5	2.8
Health and hospitals.....	2.4	5.0
Health only.....	1.2	2.2
Sanitation.....	3.3	3.3
Housing and community redevelopment.....	9.9	10.1
Utilities and liquor stores....	2.3	3.0
Long-term debt outstanding....	1.4	1.9
Total cash and security holdings	0.6	1.8

\*In 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 19 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.

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 1955 survey, local government reports were received by mail or compiled for 2,101 out of 2,357, or

89.1 percent of the units canvassed for data, including reports for cities having 25,000 or more inhabitants received in connection with the 1955 survey of city finances. In addition, 1954 data were used in lieu of 1955 data for some 250 units which failed to report figures for the later year.

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 ACKNOWLEDGMENT

The sample survey of local government finances upon which local government amounts in this report are based was conducted under the supervision of Mr. Joseph F. Arbena. Mr. Lynden Mannen supervised the assembly and classification of data for State governments and for cities having 250,000 or more inhabitants. Mr. Howard S. Ryan handled the classification of Federal Government data, under Mr. Mannen's direction.

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

LIST OF TABLES

	Page
Table 1. --Summary of Governmental Revenue, by Type of Government: 1953-1955.....	20
Table 2. --Tax Revenue of Federal, State, and Local Governments: 1953-1955 .....	21
Table 3. --Charges and Miscellaneous General Revenue of the Federal Government: 1953-1955 .....	22
Table 4. --Charges and Miscellaneous General Revenue of State and Local Governments: 1953-1955.....	22
Table 5. --Percent Distribution of Governmental Revenue, by Source and by Level of Government; 1955.....	23
Table 6. --Summary of Governmental Expenditure, by Type of Government: 1953-1955 .....	24
Table 7. --Intergovernmental Expenditure, by Function, by Level of Government: 1953-1955 .....	25
Table 8. --Direct General Expenditure, by Function, by Type of Government: 1953-1955 ....	26
Table 9. --Detail of Federal Expenditure for Selected Categories: 1955.....	28
Table 10. --Detail of State and Local Government, Direct General Expenditure for Selected Categories: 1955.....	28
Table 11. --Governmental Expenditure by Character and Object, by Type of Government: 1953-1955.....	29
Table 12. --Governmental Expenditure for Capital Outlay, by Function, by Level of Government: 1955.....	30
Table 13. --Governmental Expenditure for Personal Services, by Function, by Level of Government: 1955.....	30
Table 14. --Local Government Utility Revenue and Expenditure, by Type of Utility: 1953-1955 .....	31
Table 15. --Governmental Liquor Stores Revenue and Expenditure, by Type of Government: 1953-1955 .....	31
Table 16. --Governmental Insurance Trust Revenue and Expenditure, by Type of Government: 1953-1955.....	32
Table 17. --Governmental Debt Outstanding at End of Fiscal Year, by Type of Government: 1953-1955 .....	32
Table 18. --Debt Transactions of State and Local Governments, by Type of Government: 1953-1955 .....	33
Table 19. --Cash and Security Holdings of State and Local Governments: 1953-1955 .....	34
Table 20. --Cash and Security Holdings of Employee Retirement Funds of State and Local Governments: 1954 and 1955.....	34
Table 21. --Per Capita Governmental Revenue, Expenditure, and Debt, by Level of Government: 1955.....	35

GOVERNMENTAL FINANCES IN THE UNITED STATES: 1955

Table 1.—SUMMARY OF GOVERNMENTAL REVENUE, BY TYPE OF GOVERNMENT: 1953-1955

Item	All governments	Federal	State and local	State	Local governments					
					All local	County	City	Township	School district <sup>1</sup>	Special district
1955 (MILLIONS OF DOLLARS)										
Revenue from all sources.....	107,602	73,113	37,619	19,667	124,166	4,895	10,227	1,035	27,004	1,308
Intergovernmental revenue.....	(1)	...	13,131	2,989	16,355	1,837	1,439	244	23,031	108
From Federal Government.....	(1)	...	3,131	2,762	368	31	121	7	169	41
From State governments.....	(1)	...	...	...	5,987	1,767	1,236	227	2,720	33
From local governments.....	(1)	...	(1)	226	(1)	40	82	10	2,143	28
Revenue from own sources.....	107,602	73,113	34,489	16,678	17,811	3,058	8,788	791	3,972	1,201
General revenue.....	93,477	65,535	27,942	13,205	14,737	2,952	6,385	752	3,941	707
Taxes.....	81,072	57,589	23,483	11,597	11,886	2,360	5,100	672	3,520	231
Property.....	10,735	...	10,735	412	10,323	2,231	3,767	631	3,461	231
Other.....	70,337	57,589	12,748	11,185	1,563	129	1,333	42	59	...
Charges and miscellaneous.....	12,405	7,946	4,459	1,608	2,851	592	1,285	80	421	474
Utility and liquor stores revenue.....	3,688	...	3,688	962	2,726	68	2,137	36	...	486
Insurance trust revenue.....	10,437	7,579	2,858	2,511	347	39	267	3	31	8
1954 (MILLIONS OF DOLLARS)										
Revenue from all sources.....	109,244	76,824	35,386	18,834	122,402	4,517	9,585	940	26,483	1,158
Intergovernmental revenue.....	(1)	...	12,966	2,882	15,934	1,703	1,336	229	28,862	84
Revenue from own sources.....	109,244	76,824	32,420	15,951	16,468	2,814	8,249	711	3,621	1,074
General revenue.....	95,850	69,803	26,046	12,417	13,629	2,711	5,991	676	3,594	637
Taxes.....	84,476	62,409	22,067	11,089	10,978	2,174	4,796	592	3,196	221
Property.....	9,967	...	9,967	391	9,577	2,058	3,585	562	3,152	226
Other.....	74,508	62,409	12,100	10,698	1,401	116	1,211	30	44	(1)
Charges and miscellaneous.....	11,374	7,395	3,979	1,328	2,651	537	1,195	85	398	437
Utility and liquor stores revenue.....	3,496	...	3,496	974	2,522	71	2,011	32	...	408
Insurance trust revenue.....	9,898	7,021	2,877	2,560	317	32	246	3	27	8
1953 (MILLIONS OF DOLLARS)										
Revenue from all sources.....	105,699	75,157	33,411	17,979	121,007	4,287	8,985	872	25,738	1,102
Intergovernmental revenue.....	(1)	...	12,870	2,761	15,684	1,688	1,283	196	22,406	187
Revenue from own sources.....	105,699	75,157	30,541	15,218	15,323	2,599	7,702	676	3,332	1,015
General revenue.....	93,131	68,694	24,437	11,750	12,687	2,502	5,615	643	3,308	619
Taxes.....	83,704	62,796	20,908	10,552	10,356	2,051	4,552	592	2,954	205
Property.....	9,375	...	9,375	365	9,010	1,954	3,375	566	2,910	205
Other.....	74,329	62,796	11,533	10,187	1,345	97	1,177	26	44	...
Charges and miscellaneous.....	9,427	5,898	3,529	1,198	2,331	451	1,063	51	354	413
Utility and liquor stores revenue.....	3,323	...	3,323	967	2,356	70	1,864	32	...	390
Insurance trust revenue.....	9,244	6,463	2,781	2,501	280	27	223	1	24	6
PERCENT CHANGE, <sup>4</sup> 1954-1955										
Revenue from all sources.....	-1.5	-4.8	6.3	4.4	7.9	8.4	6.7	10.1	8.0	12.6
Intergovernmental revenue.....	(3)	...	5.5	3.7	7.1	7.9	7.7	6.7	5.9	22.2
Revenue from own sources.....	-1.5	-4.8	6.4	4.6	8.2	8.7	6.5	11.2	9.7	11.9
General revenue.....	-2.5	-6.1	7.3	6.3	8.1	8.9	6.6	11.2	9.7	7.6
Taxes.....	-4.0	-7.7	6.4	4.6	8.3	8.6	6.3	13.6	10.1	5.8
Property.....	7.7	...	7.7	5.6	7.8	8.4	5.1	12.3	9.8	6.0
Other.....	-5.6	-7.7	5.4	4.5	11.5	11.2	10.1	38.6	33.2	(2)
Charges and miscellaneous.....	9.1	7.5	12.1	21.1	7.5	10.2	7.5	-5.7	5.9	8.5
Utility and liquor stores revenue.....	5.6	...	5.5	-1.3	8.1	-5.1	6.3	12.7	...	19.0
Insurance trust revenue.....	5.4	7.9	-0.7	-1.9	9.5	20.0	8.2	-9.5	14.3	1.1

Note: Because of rounding, detail may not add to total. For further detail, see tables 2, 3, 14, 15, and 16.  
<sup>1</sup>To avoid duplication in summarizing data, all transactions between levels of government described in the column heading have been excluded; consequently, this figure is less than the sum of the components listed in the columns at the right.  
<sup>2</sup>Excludes interschool-district revenue amounting to \$155 million in 1955, \$138 million in 1954, and \$115 million in 1953.  
<sup>3</sup>Less than \$500 thousand.  
<sup>4</sup>Changes are increases unless preceded by a minus sign (-) which denotes a decrease.  
<sup>5</sup>Not computed.

SUMMARY OF GOVERNMENTAL FINANCES IN 1955

Table 2.—TAX REVENUE OF FEDERAL, STATE, AND LOCAL GOVERNMENTS: 1953-1955

Item	All governments	Federal	State and local	State	Local governments	
					Total	City only
1955 (MILLIONS OF DOLLARS)						
Taxes, total.....	81,072	57,589	23,483	11,597	11,886	5,100
Property.....	10,735	...	10,735	412	10,323	3,767
Individual income.....	29,984	...	1,237	1,094	143	131
Corporation income.....	18,604	17,861	744	737	7	7
Sales, gross receipts, and customs.....	17,221	9,378	7,644	6,864	779	728
Customs duties.....	585	585	...	...	...	...
General sales and gross receipts.....	3,090	...	3,090	2,637	453	433
Motor fuel.....	3,347	972	2,375	2,353	22	20
Alcoholic beverages.....	3,185	2,694	491	471	20	16
Tobacco products.....	2,078	1,571	508	459	49	45
Other selective sales and gross receipts.....	4,937	3,757	1,179	944	235	213
Death and gift.....	1,182	924	258	249	8	7
Other, including licenses and permits.....	3,345	478	2,867	2,241	625	461
Motor vehicle and operators' licenses.....	1,278	...	1,278	1,184	94	54
All other taxes.....	2,066	478	1,588	1,057	531	407
1954 (MILLIONS OF DOLLARS)						
Taxes, total.....	84,476	62,409	22,067	11,089	10,978	4,796
Property.....	9,967	...	9,967	391	9,577	3,585
Individual income.....	30,669	29,542	1,127	1,004	122	119
Corporation income.....	21,879	21,101	778	772	7	7
Sales, gross receipts, and customs.....	17,643	10,367	7,276	6,573	703	659
Customs duties.....	542	542	...	...	...	...
General sales and gross receipts.....	2,948	...	2,948	2,540	408	389
Motor fuel.....	3,073	855	2,218	2,218	(1)	(1)
Alcoholic beverages.....	3,179	2,716	463	463	(1)	(1)
Tobacco products.....	2,044	1,580	464	464	(1)	(1)
Other selective sales and gross receipts.....	5,858	4,674	1,184	889	296	270
Death and gift.....	1,188	934	254	247	7	5
Other, including licenses and permits.....	3,129	465	2,664	2,102	562	421
Motor vehicle and operators' licenses.....	1,098	...	1,098	1,038	(1)	(1)
All other taxes.....	2,031	465	1,567	1,005	562	421
1953 (MILLIONS OF DOLLARS)						
Taxes, total.....	83,704	62,796	20,908	10,552	10,356	4,552
Property.....	9,375	...	9,375	365	9,010	3,775
Individual income.....	29,881	29,816	1,065	969	96	93
Corporation income.....	22,055	21,238	817	810	7	7
Sales, gross receipts, and customs.....	17,279	10,352	6,927	6,209	718	685
Customs duties.....	596	596	...	...	...	...
General sales and gross receipts.....	2,860	...	2,860	2,433	427	418
Motor fuel.....	3,129	906	2,219	2,219	(1)	(1)
Alcoholic beverages.....	3,189	2,724	465	465	(1)	(1)
Tobacco products.....	2,124	1,655	469	469	(1)	(1)
Other selective sales and gross receipts.....	5,585	4,471	1,114	823	291	267
Death and gift.....	1,107	881	226	222	4	4
Other, including licenses and permits.....	3,005	508	2,497	1,978	519	388
Motor vehicle and operators' licenses.....	1,012	...	1,012	1,012	(1)	(1)
All other taxes.....	1,993	508	1,485	965	519	388
PERCENT CHANGE, <sup>2</sup> 1954-1955						
Taxes, total.....	-4.0	-7.7	6.4	4.6	8.3	6.3
Property.....	7.7	...	7.7	5.6	7.8	5.1
Individual income.....	-2.2	-2.7	8.8	8.9	16.9	10.3
Corporation income.....	-15.0	-15.4	-4.5	-5.5	-2.4	-2.4
Sales, gross receipts, and customs.....	-2.4	-7.6	5.0	4.4	10.8	10.4
Customs duties.....	8.0	8.0	...	...	...	...
General sales and gross receipts.....	4.8	...	4.8	3.8	11.2	11.3
Motor fuel.....	(3)	13.7	(3)	6.1	(3)	(3)
Alcoholic beverages.....	(3)	-0.8	(3)	1.9	(3)	(3)
Tobacco products.....	(3)	-0.6	(3)	-1.1	(3)	(3)
Other selective sales and gross receipts.....	(3)	-19.6	(3)	6.2	(3)	(3)
Death and gift.....	-0.5	-1.1	1.5	0.8	27.1	42.8
Other, including licenses and permits.....	7.2	2.8	7.6	6.6	11.2	9.5
Motor vehicle and operators' licenses.....	(3)	...	(3)	7.9	(3)	(3)
All other taxes.....	(3)	2.8	(3)	5.3	(3)	(3)

Note: Because of rounding, detail may not add to total.  
<sup>1</sup>Local government amounts included in "Other" for this category.  
<sup>2</sup>Changes are increases unless preceded by a minus sign (-) which denotes a decrease.  
<sup>3</sup>Not computed.

Table 3.--CHARGES AND MISCELLANEOUS GENERAL REVENUE OF THE FEDERAL GOVERNMENT: 1953-1955  
(Amounts, except percent, in millions of dollars)

Item	1955	1954	1953	Percent change, <sup>1</sup> 1954-1955
Total	7,946	7,395	5,898	7.5
Charges for services (including sales of products)	6,059	5,626	4,744	7.7
National defense (chiefly sales of commissary and ships stock and strategic and critical materials, and sales to military personnel)	597	613	236	-2.5
International assistance and foreign affairs (chiefly advances from foreign governments for procurement of supplies, materials and services)	134	131	177	2.2
Postal service	2,363	2,269	2,093	4.2
Hospitals	27	27	26	-0.6
Natural resources	1,813	1,527	925	18.7
Commodity Credit Corporation	1,385	1,134	544	22.1
Power projects	189	183	170	2.9
Other (including crop and farm mortgage insurance premiums)	239	209	211	14.3
Housing	217	186	183	17.1
Insurance premiums	113	103	92	14.2
Project rental and other income	105	82	91	27.2
Nonhighway transportation	104	91	118	14.2
Canals and waterways	84	70	97	21.0
Railroads and other	20	21	22	-4.2
Miscellaneous	804	783	986	2.6
R.F.C. lending, production, and liquidation programs	6	426	621	-98.6
Expansion of defense production	405	106	170	281.6
All other	394	252	195	56.4
Interest earnings	567	589	487	-3.7
Sale of property	399	245	260	63.0
Miscellaneous sources	921	935	407	-1.5

Note: Because of rounding, detail may not add to total.  
<sup>1</sup>Changes are increases unless preceded by minus sign (-) which denotes a decrease.

Table 4.--CHARGES AND MISCELLANEOUS GENERAL REVENUE OF STATE AND LOCAL GOVERNMENTS: 1953-1955

Item	All State and local		Local governments		All State and local		Local governments	
	State	Total	Cities only	Total	State	Total	Cities only	
	(1955 (MILLIONS OF DOLLARS))				(1953 (MILLIONS OF DOLLARS))			
Total	4,459	1,608	2,851	1,285	3,529	1,198	2,331	1,063
Charges for services (including sales of products)	2,972	953	2,019	756	2,429	804	1,625	599
Education	939	479	460	52	767	410	357	46
Commercial activities of institutions of higher education	297	289	7	5	261	256	5	4
School lunch charges (gross)	355	...	355	28	( <sup>1</sup> )	( <sup>1</sup> )	( <sup>1</sup> )	( <sup>1</sup> )
Other charges for services	288	190	98	18	506	154	352	43
Highways	274	136	138	58	199	103	96	44
Toll facilities	227	120	107	39	178	92	86	31
Regular highways	48	16	32	19	22	11	11	17
Hospitals	453	143	309	122	342	111	230	9
Natural resources	133	91	42	...	120	81	40	9
Sanitation	222	...	222	191	...	154	...	12
Housing	269	...	289	83	225	...	225	6
Nonhighway transportation	191	24	167	78	150	22	128	6
Water transport and terminal facilities	116	22	94	30	102	20	82	3
Air transportation	60	2	58	33	45	2	42	2
Other	15	...	15	14	5	...	5	5
Local parks and recreation	72	...	72	59	...	51	...	4
Miscellaneous commercial activities	76	23	53	46	58	19	40	4
Other general functions	343	56	286	68	362	58	303	6
Special assessments	239	...	239	175	196	...	196	14
Interest earnings	287	161	125	73	252	142	110	7
Sale of property	86	15	71	35	60	13	49	2
Miscellaneous sources	875	479	397	246	590	239	351	27
	(1954 (MILLIONS OF DOLLARS))				PERCENT CHANGE, <sup>2</sup> 1954-1955			
Total	3,979	1,328	2,651	1,195	12.1	21.1	7.5	7.5
Charges for services (including sales of products)	2,674	863	1,811	668	11.1	10.5	11.5	13.1
Education	826	425	400	52	13.7	12.6	14.9	3.1
Commercial activities of institutions of higher education	269	262	7	5	10.2	10.3	2.9	2.2
School lunch charges (gross)	( <sup>1</sup> )	...	( <sup>1</sup> )	( <sup>1</sup> )	( <sup>3</sup> )	( <sup>3</sup> )	( <sup>3</sup> )	( <sup>1</sup> )
Other charges for services	557	163	394	47	( <sup>3</sup> )	( <sup>3</sup> )	( <sup>3</sup> )	( <sup>1</sup> )
Highways	225	115	110	47	21.7	18.4	25.2	22.2
Toll facilities	203	104	99	36	11.5	15.2	7.7	8.8
Regular highways	22	11	11	11	( <sup>2</sup> )	50.1	( <sup>2</sup> )	( <sup>1</sup> )
Hospitals	385	126	260	103	17.4	14.1	19.0	17.2
Natural resources	135	88	47	...	-1.3	3.8	-10.7	...
Sanitation	198	...	198	163	12.5	...	12.5	16.9
Housing	250	...	250	71	7.5	...	7.5	17.3
Nonhighway transportation	158	24	134	63	21.2	( <sup>4</sup> )	24.9	23.2
Water transport and terminal facilities	102	22	80	30	13.7	-0.2	17.6	( <sup>5</sup> )
Air transportation	49	2	48	27	21.2	3.0	21.9	22.0
Other	6	...	6	6	( <sup>3</sup> )	...	( <sup>3</sup> )	( <sup>1</sup> )
Local parks and recreation	55	...	55	52	( <sup>3</sup> )	...	( <sup>3</sup> )	14.6
Miscellaneous commercial activities	73	23	50	42	3.6	-0.9	5.6	10.4
Other general functions	369	62	307	76	( <sup>3</sup> )	-8.5	( <sup>3</sup> )	-4.9
Special assessments	262	...	262	186	-8.9	...	-8.9	-6.1
Interest earnings	271	154	116	70	6.0	4.6	7.9	4.3
Sale of property	93	16	76	48	-7.1	-8.5	-6.8	-2.7
Miscellaneous sources	680	295	385	223	28.7	62.3	3.0	10.0

Note: Because of rounding, detail may not add to total.  
<sup>1</sup>Amounts included in "Education--other charges for services."  
<sup>2</sup>Changes are increases unless preceded by a minus sign (-) which denotes a decrease.  
<sup>3</sup>1955 data differ in composition from 1954 and 1953 amounts; therefore, percent changes are not computed.  
<sup>4</sup>Less than 0.05 percent.

Table 5.--PERCENT DISTRIBUTION OF GOVERNMENTAL REVENUE, BY SOURCE AND BY LEVEL OF GOVERNMENT: 1955

Item	All governments	Federal	State and local	State	Local governments		
					Total	County only	City only
DISTRIBUTION OF TOTAL REVENUE BY SOURCE							
Revenue from all sources	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Intergovernmental revenue	( <sup>1</sup> )	...	8.3	15.2	26.3	37.5	14.1
Revenue from own sources	100.0	100.0	91.7	84.8	73.7	62.5	85.9
General revenue from own sources	86.9	89.6	74.3	67.1	61.0	60.3	62.4
Taxes	75.3	78.8	62.4	59.0	49.2	48.2	49.9
Individual income	27.9	39.3	3.3	5.6	0.6	...	1.3
Corporation income	17.3	24.4	2.0	3.7	0.3	...	0.1
Sales, gross receipts, and customs	16.0	13.1	20.3	34.9	3.2	0.79	7.1
Property	10.0	...	28.5	2.1	42.7	45.6	36.8
Death and gift	1.1	1.3	0.7	1.3	( <sup>2</sup> )	( <sup>2</sup> )	0.1
Licenses, permits, and other taxes	3.1	0.7	7.6	11.4	2.6	1.7	4.5
Charges and miscellaneous	11.5	10.9	11.9	8.2	11.8	12.1	12.6
Utility and liquor-stores revenue	3.4	...	9.8	4.9	11.3	1.4	20.9
Insurance trust revenue	9.7	10.4	7.6	12.8	1.4	0.8	2.6
DISTRIBUTION OF GENERAL REVENUE BY SOURCE							
Total general revenue	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Intergovernmental revenue	( <sup>1</sup> )	...	10.1	18.5	30.1	38.4	18.4
General revenue from own sources	100.0	100.0	89.9	81.5	69.9	61.6	81.6
Taxes	86.7	87.9	75.6	71.6	56.4	49.3	65.2
Individual income	32.1	43.9	4.0	6.8	0.7	...	1.7
Corporation income	19.9	27.3	2.4	4.6	( <sup>3</sup> )	...	0.1
Sales, gross receipts, and customs	18.4	14.6	24.6	42.4	3.7	0.9	9.3
Property	11.5	...	34.5	2.5	48.9	46.6	48.1
Death and gift	1.3	1.4	0.8	1.5	( <sup>2</sup> )	( <sup>2</sup> )	0.1
Licenses, permits, and other taxes	3.6	0.7	9.2	13.8	3.0	1.8	5.9
Charges and miscellaneous	13.3	12.1	14.4	9.9	13.5	12.4	16.4
DISTRIBUTION OF GENERAL REVENUE FROM OWN SOURCES BY LEVEL OF GOVERNMENT							
General revenue from own sources	100.0	70.1	29.9	14.1	15.8	3.2	6.8
Taxes	100.0	71.0	29.0	14.3	14.7	2.9	6.3
Individual income	100.0	95.9	4.1	3.6	0.5	...	0.4
Corporation income	100.0	96.0	4.0	4.0	( <sup>3</sup> )	...	( <sup>3</sup> )
Sales, gross receipts, and customs	100.0	55.6	44.4	39.9	4.5	0.2	4.2
Property	100.0	...	100.0	3.8	96.2	20.8	35.1
Death and gift	100.0	78.2	21.8	21.1	0.7	0.1	0.6
Licenses, permits, and other taxes	100.0	14.3	85.7	67.0	18.7	2.5	13.8
Charges and miscellaneous	100.0	64.1	35.9	13.0	23.0	4.8	10.4

Note: Because of rounding, detail may not add to total.  
<sup>1</sup>Not computed; see footnote 1, Table 1.  
<sup>2</sup>Less than 0.05 percent.

Table 6.--SUMMARY OF GOVERNMENTAL EXPENDITURE, BY TYPE OF GOVERNMENT: 1953-1955

Item	All governments	Federal	State and local	State	Local governments					
					All local	County	City	Township	School district	Special district
1955 (MILLIONS OF DOLLARS)										
Total expenditure.....	109,685	72,409	140,375	20,357	126,230	5,130	10,541	1,130	28,192	1.8
Intergovernmental expenditure.....	(1)	3,099	(1)	5,986	1226	408	106	49	(1)	2
To States.....	(1)	2,731	(1)	...	226	179	38	...	...	7
To local governments.....	(1)	368	(1)	5,986	(1)	228	68	45	(2)	1.7
Direct expenditure.....	109,685	69,310	40,375	14,371	26,004	4,722	10,436	1,081	8,192	1.7
General.....	96,796	63,072	33,724	11,190	22,534	4,629	7,870	1,029	8,168	1.7
National defense.....	40,722	40,722	...	...	...	...	...	...	...	1.7
All other.....	56,074	22,350	33,724	11,190	22,534	4,629	7,870	1,029	8,168	1.7
Utility and liquor stores expenditure.....	3,886	...	3,886	770	3,116	68	2,274	50	...	1.7
Insurance trust expenditure.....	9,002	6,238	2,764	2,411	353	25	291	2	24	1.7
1954 (MILLIONS OF DOLLARS)										
Total expenditure.....	110,465	76,825	136,607	18,686	123,814	4,633	9,906	1,032	27,198	1.8
Intergovernmental expenditure.....	(1)	2,967	(1)	5,679	1215	367	97	39	(2)	2
Direct expenditure.....	110,465	73,858	36,607	13,008	23,599	4,266	9,809	993	7,198	1.8
General.....	99,498	68,797	30,701	10,109	20,593	4,183	7,403	945	7,176	1.8
National defense.....	46,807	46,807	...	...	...	...	...	...	...	1.8
All other.....	52,691	21,990	30,701	10,109	20,593	4,183	7,403	945	7,176	1.8
Utility and liquor stores expenditure.....	3,482	...	3,482	803	2,679	63	2,134	45	...	1.8
Insurance trust expenditure.....	7,484	5,061	2,423	2,096	327	20	272	2	22	1.8
1953 (MILLIONS OF DOLLARS)										
Total expenditure.....	109,890	79,826	132,937	16,850	121,663	4,300	9,139	911	26,174	1.8
Intergovernmental expenditure.....	(1)	2,873	(1)	5,384	1191	266	78	28	(2)	2
Direct expenditure.....	109,890	76,953	32,937	11,466	21,471	4,034	9,061	883	6,174	1.8
General.....	100,569	72,659	27,910	9,294	18,616	3,966	6,779	844	6,153	1.8
National defense.....	50,498	50,498	...	...	...	...	...	...	...	1.8
All other.....	50,070	22,160	27,910	9,294	18,616	3,966	6,779	844	6,153	1.8
Utility and liquor stores expenditure.....	3,316	...	3,316	757	2,559	53	2,032	37	...	1.8
Insurance trust expenditure.....	6,006	4,294	1,711	1,416	296	15	250	1	22	1.8
PERCENT CHANGE, <sup>3</sup> 1954-1955										
Total expenditure.....	-0.7	-5.7	10.3	8.9	10.1	10.7	6.4	9.5	13.8	1.8
Intergovernmental expenditure.....	(4)	4.5	(4)	5.4	5.5	11.0	8.9	26.3	(4)	2
Direct expenditure.....	-0.7	-6.2	10.3	10.5	10.2	10.7	6.4	8.9	13.8	1.8
General.....	-2.7	-8.3	9.8	10.7	9.4	10.7	6.3	8.9	13.8	1.8
National defense.....	-13.0	-13.0	...	...	...	...	...	...	...	1.8
All other.....	6.4	1.6	9.8	10.7	9.4	10.7	6.3	8.9	13.8	1.8
Utility and liquor stores expenditure.....	11.6	...	11.6	-4.1	16.3	6.7	6.6	9.1	...	1.8
Insurance trust expenditure.....	20.3	23.3	14.1	15.0	8.0	24.7	7.0	-9.3	7.7	1.8

Note: Because of rounding, detail may not add to total. For further detail, see tables 7 through 15.  
<sup>1</sup>To avoid duplication in summarizing data, all transactions between levels of government described in the column heading have been excluded; consequently, this figure is less than the sum of the components listed in the columns at the right.  
<sup>2</sup>Excludes interschool-district payments for tuition, transportation, and other services.  
<sup>3</sup>Changes are increases unless preceded by a minus sign (-) which denotes a decrease.  
<sup>4</sup>Not computed.

Table 7.--INTERGOVERNMENTAL EXPENDITURE, BY FUNCTION, BY LEVEL OF GOVERNMENT: 1953-1955

Level of government	Total	Education	Highways	Public welfare	Health and hospitals	Natural resources	Employment security administration	Other combined and unallocable
1955 (MILLIONS OF DOLLARS)								
Federal, total.....	3,099	521	589	1,429	74	88	187	211
Federal to State.....	2,731	308	585	1,425	73	88	186	66
Federal to local.....	368	213	4	4	1	...	1	145
State to local.....	5,986	3,150	911	1,046	125	14	...	739
Local, total.....	739	398	108	34	83	10	...	104
Local to State.....	226	22	79	25	49	10	...	42
Local to local <sup>1</sup> .....	512	376	29	10	35	(2)	...	62
1954 (MILLIONS OF DOLLARS)								
Federal, total.....	2,967	476	530	1,439	92	70	198	162
Federal to State.....	2,668	284	528	1,435	92	70	197	62
Federal to local.....	299	191	2	4	1	...	1	100
State to local.....	5,679	2,930	871	1,004	126	9	...	739
Local, total.....	655	329	105	32	76	13	...	99
Local to State.....	215	18	76	25	43	12	...	40
Local to local <sup>1</sup> .....	441	311	29	7	33	1	...	59
1953 (MILLIONS OF DOLLARS)								
Federal, total.....	2,873	508	510	1,332	116	66	196	145
Federal to State.....	2,564	288	509	1,329	115	66	195	62
Federal to local.....	309	220	1	3	1	...	1	83
State to local.....	5,384	2,737	803	981	130	11	...	722
Local, total.....	527	252	89	31	65	9	...	82
Local to State.....	191	14	67	23	39	8	...	41
Local to local <sup>1</sup> .....	336	238	22	7	26	1	...	41
PERCENT CHANGE, <sup>3</sup> 1954-1955								
Federal, total.....	4.5	9.5	11.1	-0.7	-19.5	24.7	-5.5	30.8
Federal to State.....	2.4	8.2	10.9	-0.7	-19.9	24.7	-5.6	7.3
Federal to local.....	-23.2	11.3	62.4	14.9	19.0	...	18.2	45.3
State to local.....	5.4	7.5	4.5	4.3	-0.4	53.1	...	0.1
Local, total.....	12.7	20.9	2.4	6.7	9.1	-18.9	...	5.3
Local to State.....	5.5	19.7	3.3	-1.1	12.6	-13.9	...	5.3
Local to local <sup>1</sup> .....	16.2	21.0	0.2	34.5	4.6	-70.1	...	5.4

Note: Because of rounding, detail may not add to total.  
<sup>1</sup>These amounts will differ in total from interlocal government transfers shown in tables 1, 6, and 11 because the figures here include payments between local governments of the same type (e.g., school district to school district payments for tuition, transportation, etc.) which are excluded from figures shown elsewhere.  
<sup>2</sup>Less than \$500 thousand.  
<sup>3</sup>Changes are increases unless preceded by a minus sign (-) which denotes a decrease.

Table 8.—DIRECT GENERAL EXPENDITURE BY FUNCTION, BY TYPE OF GOVERNMENT: 1953-1955

Type of government	Education				Highways			Public welfare		
	Total	Institutions of higher education	Elementary and secondary schools	Other education	Total facilities	Regular highways	Total	Categorical public assistance	Other public assistance	Other public welfare
1955 (MILLIONS OF DOLLARS)										
All governments.....	96,796	12,710	1,577	1,017	6,520	993	3,210	2,278	362	590
Federal.....	63,072	802	32	762	68	68	42	2,10	..	33
State and local.....	33,724	18,907	1,545	254	6,452	925	3,168	2,269	362	517
State.....	11,930	1,905	1,468	227	3,899	866	1,600	1,321	97	181
Local.....	21,994	10,005	1,077	45	2,553	87	1,568	947	285	336
County.....	4,629	581	548	33	1,077	..	1,033	681	138	215
City.....	7,870	1,121	56	7	1,098	..	471	1,077	102	109
Township.....	1,729	301	297	4	296	..	63	..	..	..
School district.....	8,168	7,999	..	..	..	..	..	..	..	..
Special district.....	837	..	..	..	81	..	..	..	..	..
1954 (MILLIONS OF DOLLARS)										
All governments.....	99,498	11,196	1,425	8,927	5,586	561	3,103	2,234	349	520
Federal.....	68,797	639	32	32	60	60	43	2,224	..	34
State and local.....	30,701	10,557	1,419	8,896	5,527	561	3,060	2,224	349	486
State.....	10,109	1,715	1,324	199	2,777	477	1,548	1,928	73	177
Local.....	20,593	8,842	8,697	51	2,272	84	1,512	927	276	309
County only.....	4,183	480	442	38	932	..	977	637	148	192
City only.....	7,403	1,706	997	9	1,014	..	443	255	88	100
1953 (MILLIONS OF DOLLARS)										
All governments.....	100,569	10,117	1,368	7,819	5,053	264	2,956	2,167	300	488
Federal.....	72,659	727	47	773	66	66	2,914	2,159	..	..
State and local.....	27,910	9,390	1,361	7,773	4,987	264	1,534	1,307	300	488
State.....	9,294	1,634	1,277	207	2,777	194	1,288	853	63	162
Local.....	18,616	7,756	84	7,622	2,210	70	1,360	580	236	292
County only.....	3,966	467	951	36	947	..	893	580	135	178
City only.....	6,779	996	48	937	947	..	693	251	76	103
PERCENT CHANGE, 1954-1955										
All governments.....	-2.7	13.5	10.7	13.3	16.7	69.9	3.4	2.0	9.4	5.6
Federal.....	-8.3	25.6	-1.0	27.0	14.1	14.1	-2.6	4.8	..	-4.6
State and local.....	10.7	12.8	10.6	13.4	16.7	69.9	3.7	2.0	9.4	6.4
State.....	9.4	11.0	10.8	14.3	14.3	81.6	3.2	1.8	33.1	9.4
Local.....	10.7	13.1	7.5	13.3	12.4	3.3	3.7	2.9	3.1	6.6
County only.....	6.3	21.0	..	11.6	13.6	..	5.6	2.6	-2.7	13.2
City only.....	..	6.2	11.3	6.1	-19.1	-34.2	6.4	1.9	16.7	8.7
PERCENT DISTRIBUTION, 1955										
All governments.....	100.0	13.1	1.6	10.4	6.7	1.0	3.3	2.3	0.4	0.6
Federal.....	100.0	13.1	1.6	10.4	6.7	1.0	3.3	2.3	0.4	0.6
State and local.....	100.0	13.1	1.6	10.4	6.7	1.0	3.3	2.3	0.4	0.6
State.....	100.0	13.1	1.6	10.4	6.7	1.0	3.3	2.3	0.4	0.6
Local.....	100.0	13.1	1.6	10.4	6.7	1.0	3.3	2.3	0.4	0.6

See footnotes at end of table.

Table 9.—DIRECT GENERAL EXPENDITURE BY FUNCTION, BY TYPE OF GOVERNMENT: 1953-1955—Continued

Level of government	Health	Hospitals	Police	Local fire protection	Natural resources	Sanitation	Local parks recreation	Housing and community redevelopment	Veterans services n.e.c.	Nonhighway transportation	General control	Interest on debt	Other and unallocable
1955 (MILLIONS OF DOLLARS)													
All governments.....	708	2,721	1,358	694	4,278	1,142	509	611	3,038	1,124	2,050	6,712	3,720
Federal.....	237	667	1,229	..	3,763	1,142	509	112	2,997	818	607	5,873	1,975
State and local.....	470	2,053	1,129	694	597	1,142	509	499	61	310	1,452	838	1,745
State.....	193	1,425	1,031	694	196	1,142	509	497	..	40	1,005	251	911
Local.....	277	628	998	24	401	..	..	..	..	..	..	..	..
County.....	156	410	884	..	..	..	..	..	..	..	..	..	..
City.....	7	..	52	..	..	..	..	..	..	..	..	..	..
County only.....	..	..	..	..	..	..	..	..	..	..	..	..	..
City only.....	..	..	..	..	..	..	..	..	..	..	..	..	..
Special district.....	(1)	49	..	15	81	74	..	288	..	112	..	82	..
1954 (MILLIONS OF DOLLARS)													
All governments.....	692	2,676	1,254	653	4,449	1,058	424	742	2,913	1,193	1,997	6,577	3,817
Federal.....	245	714	1,204	..	3,686	1,058	..	131	2,811	896	622	5,858	1,970
State and local.....	447	1,962	1,050	653	762	1,058	424	611	102	377	1,375	719	1,878
State.....	186	1,089	1,000	..	563	..	..	2	102	289	946	425	1,119
Local.....	260	873	50	653	199	1,058	424	609	..	..	..	..	..
County only.....	109	138	..	..	..	..	..	..	..	..	..	..	..
City only.....	145	389	816	588	..	904	368	268	..	134	417	232	629
1953 (MILLIONS OF DOLLARS)													
All governments.....	698	2,643	1,160	598	3,730	908	374	768	2,823	1,301	1,866	6,399	3,782
Federal.....	271	685	1,122	..	3,025	908	..	138	2,710	1,064	1,866	5,858	1,970
State and local.....	427	1,958	1,038	598	705	908	374	631	113	236	1,000	522	1,808
State.....	170	1,014	1,119	..	531	..	..	628	..	..	864	432	1,119
Local.....	258	849	919	598	173	908	374	..	..	..	..	..	..
County only.....	109	417	131	19	103	..	..	..	..	..	..	..	..
City only.....	142	371	722	344	..	782	323	203	..	116	370	215	606
PERCENT CHANGE, 1954-1955													
All governments.....	2.3	1.7	8.3	6.2	-3.8	6.0	(*)	-37.7	5.0	-4.3	-3.1	2.1	-2.5
Federal.....	-1.0	-6.5	3.7	..	-5.5	6.5	(*)	-24.9	6.6	-8.0	-2.3	0.3	-24.4
State and local.....	5.2	4.6	8.8	6.2	4.0	8.0	(*)	-16.3	-40.3	-16.4	5.6	16.7	8.3
State.....	3.6	5.1	6.5	..	6.0	..	(*)	-60.8	..	-6.6	5.1	11.7	10.3
Local.....	6.4	4.0	9.1	6.2	-1.6	..	(*)	-60.8	..	-20.5	2.1	5.0	7.2
County only.....	5.1	3.0	12.2	-7.8	0.4	12.2	(*)	-22.4	..	8.5	5.0	6.2	15.2
City only.....	7.1	5.4	8.3	3.7	..	5.4	10.4	..	..	..	..	..	..
PERCENT DISTRIBUTION, 1955													
All governments.....	0.7	2.8	1.4	0.7	4.4	1.2	0.5	0.6	7.2	1.3	2.1	6.9	3.8
Federal.....	0.4	1.1	0.2	0.2	5.3	1.1	0.5	0.5	4.8	1.3	1.0	9.3	2.5
State and local.....	1.7	6.1	3.6	2.1	2.4	3.4	1.5	1.5	0.2	0.9	4.3	2.5	6.4
State.....	1.7	10.2	1.2	..	2.5	5.1	2.3	..	0.5	0.4	-4.0	2.2	8.1
Local.....	1.2	4.0	4.8	3.1	0.9	..	..	2.2	..	1.2	4.5	2.6	5.5

Note: Because of rounding, detail may not add to total.  
 \*Less than \$500 thousand.  
 †Except included in "Other and unallocable."  
 ‡Changes are increases unless preceded by a minus sign (-) which denotes a decrease.  
 §Not computed.  
 ¶Less than 0.05 percent.

Table 9.--DETAIL OF FEDERAL EXPENDITURE FOR SELECTED CATEGORIES: 1955

(Millions of dollars)

Item	Amount	Item	Amount
<b>Intergovernmental expenditure (as shown for particular functions in table 7):</b>			
<b>Education:</b>			
Grants-in-aid.....	345	<b>Direct Federal expenditure (as shown for particular functions in table 8)--Continued</b>	
School construction.....	119	<b>Natural resources:</b>	
School lunch and school milk programs.....	85	Farm price support.....	
Other grants-in-aid.....	141	Farm credit insurance.....	
<b>Payments for services:</b>		Other agricultural resources.....	
Veterans' tuition.....	24	Soil, water, and electric energy resources <sup>1</sup> .....	
Scientific research and development.....	139	Forests and parks.....	
Other payments for services.....	12	Mineral resources.....	
<b>Public welfare:</b>		Other natural resources.....	
Public assistance.....	1,417	<b>Nonhighway<sup>2</sup> transportation:</b>	
Other public welfare.....	12	Water transport and terminal facilities and aids to water transportation.....	
<b>Health and hospitals:</b>		Air transportation.....	
Public health programs.....	41	Other nonhighway <sup>2</sup> transportation.....	
Hospital construction.....	30	<b>Exhibit: Distribution of Federal expenditure for veterans:</b>	
Other.....	3	Classified under education:	
<b>Other, combined, and unallocable:</b>		Direct (table 8).....	
Air transportation.....	8	Intergovernmental (table 7).....	
Civil defense.....	7	Classified under public welfare:	
Shared revenues.....	58	Direct (table 8).....	
Federal contribution to District of Columbia.....	22	Intergovernmental (table 7).....	
Other.....	16	Classified under health:	
<b>Direct Federal expenditure (as shown for particular functions in table 8):</b>			
<b>Education:</b>			
Veterans' educational benefits.....	676	Direct (table 8).....	
Other.....	126	Intergovernmental (table 7).....	
<b>Health:</b>			
Veterans.....	113	Classified under hospitals--direct (table 8).....	
Other.....	124	Veterans' services, n.e.c.--direct (table 8).....	
<b>Hospitals:</b>			
Veterans.....	599	Classified under insurance trust expenditure (veterans' life insurance benefits and premium refunds--table 16).....	
Other.....	69	Total Federal expenditure for veterans' services:	
		Direct.....	
		Intergovernmental.....	

Note: Because of rounding, detail may not add to total.

<sup>1</sup>Includes electric power, flood control, reclamation, soil conservation, and other land and water resources activities of the TVA and other resources development corporations, the Corps of Engineers, the Department of Agriculture, and the Department of the Interior.

Table 10.--DETAIL OF STATE AND LOCAL GOVERNMENT DIRECT GENERAL EXPENDITURE FOR SELECTED CATEGORIES: 1955

(Millions of dollars)

Item	Total State and local	State	Local
<b>Nonhighway transportation:</b>			
Water transport and terminal facilities.....	310	40	270
Air transportation.....	154	34	120
Other.....	42	6	36
<b>Natural resources:</b>			
Agricultural resources.....	793	597	196
Soil, water, and electric energy resources.....	(2)	295	(2)
Forests and parks.....	(2)	22	(2)
Fish and wildlife.....	(2)	124	(2)
Other.....	(2)	107	(2)
<b>Other and unallocable general expenditure:</b>			
Employment security administration.....	2,145	911	1,234
Correction.....	208	207	1
General public buildings.....	439	268	171
Libraries.....	371	80	291
Miscellaneous commercial activities.....	154	7	147
Civil defense.....	121	21	100
All other.....	34	13	21
	822	314	508

Note: Because of rounding, detail may not add to total.

<sup>1</sup>Less than \$500 thousand.

<sup>2</sup>Distribution of local government expenditure not available.

Table 11.--GOVERNMENTAL EXPENDITURE BY CHARACTER AND OBJECT, BY TYPE OF GOVERNMENT: 1953-1955

Item	All governments	Federal	State and local	State	Local governments					
					All local	County	City	Township	School district	Special district
1955 (MILLIONS OF DOLLARS)										
Total expenditure.....	1109,685	72,409	140,375	20,357	126,230	5,130	10,541	1,130	8,192	1,605
Intergovernmental expenditure.....	(1)	3,099	(1)	5,986	226	408	106	49	(2)	32
Direct expenditure.....	109,685	69,310	40,375	14,371	26,004	4,722	10,436	1,081	8,192	1,573
Current operation.....	54,729	31,543	23,186	6,234	16,951	3,001	6,757	714	5,756	723
Capital outlay.....	30,979	19,373	10,706	3,992	6,713	884	2,586	300	2,243	701
Construction.....	12,612	3,564	9,048	3,404	5,644	737	2,142	270	2,009	486
Contract construction.....	11,498	3,109	8,389	3,110	5,279	697	1,907	242	2,009	424
Force account construction.....	1,114	455	659	294	365	40	235	28	62	62
Land and existing structures.....	984	59	925	412	512	39	4	4	71	184
Equipment.....	16,484	15,751	733	177	557	108	229	26	163	31
Assistance and subsidies.....	8,942	6,282	2,660	1,482	1,179	741	392	46	...	...
Interest on debt.....	6,932	5,873	1,059	251	807	71	410	19	169	158
Insurance trust benefits and withdrawals.....	9,008	6,228	2,764	2,411	353	251	2	2	24	11
Exhibit: Total personal services.....	34,916	19,377	15,539	3,795	11,744	1,677	4,749	386	4,524	408
1954 (MILLIONS OF DOLLARS)										
Total expenditure.....	1110,465	76,825	136,607	18,686	123,814	4,633	9,906	1,032	7,198	1,364
Intergovernmental expenditure.....	(1)	2,967	(1)	5,679	215	367	97	39	(2)	31
Direct expenditure.....	110,465	73,858	36,607	13,008	23,599	4,266	9,809	993	7,198	1,332
Current operation.....	60,566	39,057	21,508	5,886	15,622	2,736	6,361	660	5,205	661
Capital outlay.....	27,369	18,244	9,125	3,347	5,778	734	2,417	245	1,837	546
Construction.....	11,739	4,001	7,738	2,831	4,907	601	2,020	219	1,589	478
Contract construction.....	10,655	3,532	7,123	2,559	4,564	567	1,800	187	1,589	421
Force account construction.....	1,084	469	615	272	342	34	219	32	...	...
Land and existing structures.....	767	80	687	342	344	35	183	4	77	28
Equipment.....	14,864	14,164	700	173	527	98	215	22	171	21
Assistance and subsidies.....	8,271	5,637	2,634	1,486	1,148	708	370	70	...	...
Interest on debt.....	6,775	5,858	916	193	723	68	389	16	135	116
Insurance trust benefits and withdrawals.....	7,484	5,061	2,423	2,096	327	20	272	2	22	10
Exhibit: Total personal services.....	33,538	19,195	14,343	3,439	10,851	1,568	4,463	357	4,079	395
1953 (MILLIONS OF DOLLARS)										
Total expenditure.....	1109,890	79,826	132,937	16,850	121,663	4,300	9,139	911	6,174	1,344
Intergovernmental expenditure.....	(1)	2,873	(1)	5,384	191	266	78	28	(2)	26
Direct expenditure.....	109,890	76,953	32,937	11,466	21,471	4,034	9,061	883	6,174	1,318
Current operation.....	61,966	42,000	19,965	5,540	14,425	2,596	5,972	587	4,685	584
Capital outlay.....	26,403	18,498	7,905	2,847	5,098	715	2,119	235	1,358	630
Construction.....	10,498	3,735	6,763	2,472	4,291	602	1,769	211	1,164	546
Contract construction.....	9,943	3,735	6,208	2,273	3,973	597	1,563	200	1,164	446
Force account construction.....	555	(4)	555	238	318	45	206	11	...	...
Land and existing structures.....	603	74	530	218	312	23	170	4	61	53
Equipment.....	15,301	14,689	612	157	455	90	181	29	133	31
Assistance and subsidies.....	8,933	6,376	2,558	1,501	1,080	653	361	43	...	...
Interest on debt.....	6,582	5,785	798	162	633	56	359	16	110	96
Insurance trust benefits and withdrawals.....	6,006	4,294	1,711	1,416	296	15	250	1	22	8
Exhibit: Total personal services.....	33,870	19,970	13,100	3,232	9,868	1,405	4,179	313	3,615	357
PERCENT CHANGE, 1954-1955										
Total expenditure.....	-0.7	-5.7	10.3	8.9	10.1	10.7	6.4	9.5	13.8	17.7
Intergovernmental expenditure.....	(6)	4.5	(6)	5.4	5.5	11.0	8.9	26.3	(6)	3.2
Direct expenditure.....	0.7	-6.2	10.3	10.5	10.2	10.7	6.4	8.9	13.8	18.1
Current operation.....	-9.6	-19.2	7.8	5.9	8.5	9.7	6.2	8.2	10.6	9.4
Capital outlay.....	9.9	6.2	17.3	19.3	16.2	20.5	7.0	22.6	22.1	28.4
Construction.....	7.4	-10.9	16.9	20.2	15.0	22.7	6.1	23.3	26.4	1.6
Contract construction.....	7.9	-12.0	17.8	21.5	15.7	23.0	5.9	23.1	26.4	0.8
Force account construction.....	2.7	-3.1	7.2	7.8	6.7	18.0	7.1	-10.8	...	8.1
Land and existing structures.....	2.3	-26.1	34.6	20.4	48.7	12.5	17.4	-0.5	-7.5	296.0
Equipment.....	10.9	11.2	4.8	2.1	5.6	9.6	6.6	20.2	-4.7	45.8
Assistance and subsidies.....	8.1	11.4	1.0	-0.3	2.6	4.6	5.8	(7)	...	...
Interest on debt.....	2.3	0.3	15.6	30.2	11.6	5.0	5.4	19.1	25.2	19.4
Insurance trust benefits and withdrawals.....	20.3	23.3	14.1	15.0	8.0	24.7	7.0	-9.3	7.7	7.9
Exhibit: Total personal services.....	4.1	0.9	8.3	8.7	8.2	7.0	6.4	8.2	10.9	6.1

Note: Because of rounding, detail may not add to total.

<sup>1</sup>To avoid duplication in summarizing data, all transactions between levels of government described in this column heading have been excluded; consequently, this figure is less than the sum of the components listed in the columns at the right.

<sup>2</sup>Includes interschool-district payments for tuition, transportation, and other services.

<sup>3</sup>Includes pay and allowance of armed forces; see table 13.

<sup>4</sup>Force account construction for Federal government included in current operation expenditure for 1953.

<sup>5</sup>Changes are increases unless preceded by a minus sign (-) which denotes a decrease.

<sup>6</sup>Not computed.

<sup>7</sup>Not computed; 1955 data not comparable with figures for 1954.

Table 12.--GOVERNMENTAL EXPENDITURE FOR CAPITAL OUTLAY, BY FUNCTION, BY LEVEL OF GOVERNMENT: 1955  
(Millions of dollars)

Function	Total capital outlay					Construction expenditure only				
	All governments	Federal	State and local			All governments	Federal	State and local		
			Total	State	Local			Total	State	Local
All functions.....	30,079	19,373	10,706	3,992	6,713	12,612	3,564	9,048	3,404	5,644
Defense.....	18,063	18,063	...	...	...	2,668	2,668	...	...	...
Other, total.....	12,016	1,310	10,706	3,992	6,713	9,944	896	9,048	3,404	5,644
Education.....	3,990	16	3,074	383	2,691	2,721	14	2,706	300	2,406
Highways.....	4,275	38	4,237	3,144	1,093	3,685	36	3,648	2,730	918
Hospitals.....	361	40	321	203	119	318	28	290	182	108
Natural resources.....	994	842	152	87	66	775	665	111	52	59
Sanitation.....	528	...	528	...	528	498	...	498	...	30
Housing and community redevelopment.....	308	3	305	(1)	305	181	2	179	...	17
Nonhighway transportation.....	331	159	172	15	157	239	95	144	13	131
Local parks and recreation.....	142	...	142	...	142	108	...	108	...	34
Local utilities.....	1,162	...	1,162	...	1,162	949	...	949	...	213
Water supply system.....	732	...	732	...	732	617	...	617	...	115
Electric power system.....	281	...	281	...	281	231	...	231	...	50
Transit system.....	81	...	81	...	81	55	...	55	...	26
Gas supply system.....	48	...	48	...	48	46	...	46	...	2
All other.....	826	213	613	161	452	471	96	416	129	287

Note: Because of rounding, detail may not add to total.  
1 Less than \$500 thousand.

Table 13.--GOVERNMENTAL EXPENDITURE FOR PERSONAL SERVICES, BY FUNCTION, BY LEVEL OF GOVERNMENT: 1955  
(Millions of dollars)

Function	All governments	Federal	State and local <sup>1</sup>		
			Total	State	Local
All functions.....	34,916	19,377	15,539	3,795	11,744
Defense, total.....	14,211	14,211	...	...	...
- Armed forces pay and allowances.....	9,415	9,415	...	...	...
Other (civilian personnel).....	4,797	4,797	...	...	...
International assistance and foreign affairs.....	176	176	...	...	...
Postal service.....	2,077	2,077	...	...	...
Education, total.....	6,772	56	6,716	1,055	5,661
Elementary and secondary schools.....	5,719	20	5,699	125	5,574
Institutions of higher education.....	887	3	884	821	63
Other.....	166	33	133	109	24
Highways.....	1,469	23	1,446	646	800
Public welfare.....	339	19	320	132	188
Health.....	345	111	234	88	146
Hospitals.....	1,642	487	1,156	625	531
Police.....	1,100	116	984	90	894
Local fire protection.....	524	...	524	...	524
Natural resources.....	1,035	680	356	285	71
Sanitation.....	403	...	403	...	403
Local parks and recreation.....	217	...	217	...	217
Housing and community redevelopment.....	149	58	91	1	90
Nonhighway transportation.....	409	384	85	14	71
General control.....	1,509	502	1,007	257	750
Other general functions.....	1,571	537	1,034	559	475
Liquor stores and local utilities.....	968	...	968	43	925
Liquor stores.....	49	...	49	43	6
Water supply system.....	334	...	334	...	334
Electric power system.....	207	...	207	...	207
Transit system.....	357	...	357	...	357
Gas supply system.....	21	...	21	...	21

Note: Because of rounding, detail may not add to total.

<sup>1</sup>The distribution of the 1955 personal services total shown in table 11 is based on the Bureau of the Census survey of public employment, primarily for October 1955, as presented in the report, *State Distribution of Public Employment in 1955*.

Table 14.--LOCAL GOVERNMENT UTILITY REVENUE AND EXPENDITURE, BY TYPE OF UTILITY: 1953-1955

Item	All local governments					(Cities only)				
	All utilities	Water supply system	Electric power system	Transit system	Gas supply system	All utilities	Water supply system	Electric power system	Transit system	Gas supply system
1955 (MILLIONS OF DOLLARS)										
Utility revenue.....	2,610	1,092	870	544	104	2,080	952	677	384	68
Utility expenditure, total.....	3,023	1,479	819	600	125	2,228	1,087	601	452	88
Current operation <sup>1</sup> .....	1,640	598	504	465	73	1,285	525	385	330	46
Capital outlay.....	1,162	752	281	81	48	790	467	197	77	39
Interest.....	220	129	34	55	3	163	96	19	45	3
1954 (MILLIONS OF DOLLARS)										
Utility revenue.....	2,403	971	787	554	90	1,954	877	624	391	62
Utility expenditure, total.....	2,577	1,150	751	586	90	2,086	1,000	601	425	61
Current operation <sup>1</sup> .....	1,538	530	474	469	65	1,241	488	380	331	42
Capital outlay.....	821	626	249	62	23	689	420	204	47	17
Interest.....	198	112	28	56	1	157	92	17	46	1
1953 (MILLIONS OF DOLLARS)										
Utility revenue.....	2,237	939	713	500	85	1,810	830	587	333	60
Utility expenditure, total.....	2,456	1,084	723	582	68	1,981	930	587	416	48
Current operation <sup>1</sup> .....	1,486	530	427	475	54	1,185	462	353	302	37
Capital outlay.....	787	453	270	52	12	653	387	217	39	9
Interest.....	184	101	28	54	2	144	81	16	45	2
PERCENT CHANGE, <sup>2</sup> 1954-1955										
Utility revenue.....	8.6	12.4	10.5	-1.7	15.5	6.8	8.5	8.4	-2.0	9.5
Utility expenditure, total.....	17.3	28.6	9.0	2.4	39.1	6.8	8.7	0.1	6.4	44.9
Current operation.....	5.3	8.4	-6.5	-0.8	13.0	3.2	7.5	1.4	-0.4	8.7
Capital outlay.....	41.6	54.7	12.7	30.2	107.0	13.8	11.1	-3.4	61.9	127.8
Interest.....	11.3	14.6	19.4	-1.9	114.4	4.5	11.1	12.1	-1.7	150.2

Note: Because of rounding, detail may not add to total.

<sup>1</sup>Includes purchase of goods for resale.

<sup>2</sup>Changes are increases unless preceded by a minus sign (-) which denotes a decrease.

Table 15.--GOVERNMENTAL LIQUOR STORES REVENUE AND EXPENDITURE, BY TYPE OF GOVERNMENT: 1953-1955

Item	All State and local	State	Local	
			City	County
1955 (MILLIONS OF DOLLARS)				
Revenue.....	1,079	982	117	57
Expenditure <sup>1</sup> .....	863	770	93	46
1954 (MILLIONS OF DOLLARS)				
Revenue.....	1,094	974	119	56
Expenditure <sup>1</sup> .....	905	803	102	47
1953 (MILLIONS OF DOLLARS)				
Revenue.....	1,087	967	120	54
Expenditure <sup>1</sup> .....	860	757	102	51
PERCENT CHANGE, <sup>2</sup> 1954-1955				
Revenue.....	-1.4	-1.3	-2.3	1.6
Expenditure.....	-1.6	-4.1	-8.7	-3.3

Note: Because of rounding, detail may not add to total.

<sup>1</sup>Includes purchase of goods for resale.

<sup>2</sup>Changes are increases unless preceded by a minus sign (-) which denotes a decrease.

Table 16.—GOVERNMENTAL INSURANCE TRUST REVENUE AND EXPENDITURE, BY TYPE OF GOVERNMENT: 1953-1955

Table 16: Governmental Insurance Trust Revenue and Expenditure, by Type of Government: 1953-1955. Columns include Item, Total (1955, 1954, 1953), Contributions (1955, 1954, 1953), Earnings on investments (1955, 1954, 1953), and Insurance trust expenditure (1955, 1954, 1953). Rows include All governments, Federal, State and local, State, Local, County, City, Township, School district, and Special district.

Note: Because of rounding, detail may not add to total.
1Changes are increases unless preceded by a minus sign (-) which denotes a decrease.
2Less than 0.05 percent.
3Less than \$500 thousand.

Table 17.—GOVERNMENTAL DEBT OUTSTANDING AT END OF FISCAL YEAR, BY TYPE OF GOVERNMENT: 1953-1955

Table 17: Governmental Debt Outstanding at End of Fiscal Year, by Type of Government: 1953-1955. Columns include Item, All governments, Federal, State and local, State, All local, County, City, Township, School district, and Special district. Rows include Total debt outstanding, Long-term, total, Full faith and credit, Nonguaranteed, Short-term, and Exhibit: Net long-term. Data is provided for 1955, 1954, and 1953, along with percent change.

Note: Because of rounding, detail may not add to total.
1Year-to-year changes in long-term debt indicated for special districts by this table will not agree with the results of estimated debt transactions, shown in table 18, because 1955 and 1954 figures here include amounts of debt apparently issued in prior periods but not formerly reported as outstanding debt in response to Census inquiries.
2Public 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.
3The distinction between long-term and short-term debt is not applied to Federal debt figures in this report.
4Changes are increases unless preceded by a minus sign (-) which denotes a decrease.
5Not computed.
61955 distribution not strictly comparable to 1954 distribution; percent change not computed.

Table 18.—DEBT TRANSACTIONS OF STATE AND LOCAL GOVERNMENTS, BY TYPE OF GOVERNMENT: 1953-1955

Table 18: Debt Transactions of State and Local Governments, by Type of Government: 1953-1955. Columns include Item, All State and local, State, All local, County, City, Township, School district, and Special district. Rows include Long-term debt issued, Original issues, Refunding issues, Long-term debt retired, Redeemed, Refunded, Total borrowing, and Total debt redemption. Data is provided for 1955, 1954, and 1953, along with percent change.

Note: Because of rounding, detail may not add to total.
1See definitions, page 14.
2Less than \$500 thousand.
3Changes are increases unless preceded by a minus sign (-) which denotes a decrease.
4Not computed.

Table 19.—CASH AND SECURITY HOLDINGS OF STATE AND LOCAL GOVERNMENTS: 1953-1955

Item	All State and local	State	Local governments					Total
			All local	County	City	Township	School district	
1955 (MILLIONS OF DOLLARS)								
Total	42,832	26,526	16,306	2,515	8,909	487	3,060	1,336
Distribution by type of holding:								
Cash and deposits	18,897	11,920	6,976	1,659	2,519	362	1,853	50
Federal securities	14,726	9,555	5,171	580	3,277	98	686	52
Own-government securities	2,908	458	2,450	33	2,298	2	67	49
Other State and local government securities	2,089	1,684	405	48	177	(2)	28	151
Non-governmental securities	4,212	2,909	1,304	196	63	23	426	21
Distribution by purpose of holding:								
Offsets to long-term debt	3,770	1,457	2,313	123	1,670	15	170	39
Unemployment compensation	7,992	7,938	55	...	55	...	...	77
Employee retirement	9,902	6,159	3,743	332	3,017	20	297	77
Other insurance trust systems	1,213	1,213	...	...	...	...	...	...
All other	19,955	9,759	10,196	2,650	4,168	431	2,593	526
1954 (MILLIONS OF DOLLARS)								
Total	40,377	25,536	14,841	2,255	8,083	449	2,850	1,201
Distribution by type of holding:								
Cash and deposits	18,756	12,249	6,507	1,595	2,348	346	1,788	430
Federal securities	13,700	8,993	4,707	409	2,900	85	775	54
Own-government securities	2,752	421	2,331	25	2,184	2	73	47
Other State and local government securities	1,921	1,531	390	52	145	3	28	14
Non-governmental securities	3,249	2,343	906	174	305	15	187	26
Distribution by purpose of holding:								
Offsets to long-term debt	3,716	1,440	2,276	123	1,641	14	188	39
Unemployment compensation	8,450	8,394	56	...	56	...	...	70
Employee retirement	8,709	5,571	3,339	327	2,684	319	275	70
Other insurance trust systems	1,157	1,157	...	...	...	...	...	...
All other	18,346	9,175	9,171	1,844	4,303	416	2,387	62
1953 (MILLIONS OF DOLLARS)								
Total	37,084	23,663	13,421	2,220	7,481	381	2,318	1,022
Distribution by type of holding:								
Cash and deposits	17,846	12,053	5,793	1,574	2,080	291	1,488	39
Federal securities	12,643	8,141	4,502	469	2,775	71	639	50
Own-government securities	2,599	369	2,190	18	2,093	3	22	4
Other State and local government securities	1,571	1,309	262	56	130	(1)	28	47
Non-governmental securities	2,465	1,790	675	102	403	14	141	14
Distribution by purpose of holding:								
Offsets to long-term debt	3,450	1,208	2,242	113	1,648	3	150	32
Unemployment compensation	8,482	8,427	55	...	55	...	...	58
Employee retirement	7,402	4,638	2,764	137	2,333	9	254	31
Other insurance trust systems	1,088	1,088	...	...	...	...	...	...
All other	16,662	8,302	8,360	1,970	3,445	369	1,915	65
PERCENT CHANGE, 1954-1955								
Total	6.1	3.9	9.9	11.5	10.2	8.3	7.4	11.1
Distribution by type of holding:								
Cash and deposits	0.8	-2.7	7.2	4.0	7.3	4.9	3.6	35.4
Federal securities	7.5	6.2	9.9	41.9	13.0	16.1	-11.4	-1.8
Own-government securities	5.7	8.9	5.1	30.6	5.2	52.4	-7.7	5.1
Other State and local government securities	8.8	10.0	4.0	-9.1	22.2	-96.3	-0.4	-5.3
Non-governmental securities	29.6	24.2	43.9	12.8	26.1	59.2	127.6	-16.1
Distribution by purpose of holding:								
Offsets to long-term debt	1.5	1.2	1.6	(3)	1.8	8.2	-9.7	8.1
Unemployment compensation	-5.4	-5.4	-1.7	...	-1.7	...	...	5.8
Employee retirement	13.7	14.7	12.1	15.5	12.4	6.9	7.9	5.8
Other insurance trust systems	4.9	4.9	...	...	...	...	...	...
All other	8.8	6.4	11.2	11.7	12.6	8.4	8.6	12.6

Note: Because of rounding, detail may not add to total.  
 1 Includes \$7,906 million in State unemployment compensation fund balance on deposit in U.S. Treasury.  
 2 Less than \$500 thousand.  
 3 1954 data not comparable with 1953 amounts owing to more complete coverage in 1954 of retirement systems of these governments.  
 4 Changes are increases unless preceded by a minus sign (-) which denotes a decrease.  
 5 Less than 0.05 percent.

Table 20.—CASH AND SECURITY HOLDINGS OF EMPLOYEE RETIREMENT FUNDS OF STATE AND LOCAL GOVERNMENTS: 1954 AND 1955 (Amounts, except percent, in millions of dollars)

Item	1955				1954				Percent change, 1954-1955			
	All State and local	State	All local	City only	All State and local	State	All local	City only	All State and local	State	All local	City only
Total	9,902	6,159	3,743	3,017	8,709	5,371	3,339	2,684	13.7	14.7	12.1	12.4
Cash and deposits	178	95	83	70	202	100	102	87	-11.8	-5.5	-18.0	-13.2
Federal securities	4,476	3,105	1,371	1,131	4,210	2,938	1,272	1,028	6.3	5.7	7.8	10.1
Own-government securities	1,587	329	1,257	1,230	1,421	245	1,175	1,146	11.7	34.3	7.0	7.3
Other State and local government securities	947	754	193	115	815	658	157	92	16.1	14.6	22.7	24.3
Non-governmental securities	2,714	1,876	838	471	2,061	1,429	632	331	31.7	31.2	32.6	42.3

Note: Because of rounding, detail may not add to total.  
 1 Changes are increases unless preceded by a minus sign (-) which denotes a decrease.

Table 21.—PER CAPITA GOVERNMENTAL REVENUE, EXPENDITURE, AND DEBT, BY LEVEL OF GOVERNMENT: 1955

Item	All governments	Federal	State and local		
			Total	State	Local
Revenue from all sources	\$651.15	\$442.45	\$227.65	\$119.01	\$146.24
Intergovernmental revenue	(1)	...	18.94	18.09	38.46
Revenue from own sources	651.15	442.45	208.71	100.93	107.78
General revenue	565.68	396.58	169.09	79.91	89.18
Taxes	490.61	348.50	142.11	70.18	71.93
Property	64.97	...	64.97	2.90	62.47
Individual income	181.45	173.46	7.49	6.62	.87
Corporation income	112.58	108.44	4.50	4.46	.04
Sales, gross receipts and customs	104.22	97.44	46.25	41.54	4.72
Death and gift	7.15	5.59	1.56	1.51	.05
Other, including licenses and permits	20.24	2.89	17.35	13.56	3.78
Charges and miscellaneous revenue	75.07	48.08	26.98	9.73	17.26
Utility and liquor stores revenue	22.32	...	22.32	5.82	16.50
Insurance trust revenue	63.16	45.86	17.30	15.19	2.10
Total expenditure	663.76	438.18	244.33	23.19	158.73
Intergovernmental expenditure	(2)	18.75	(3)	36.22	1.37
To States	(2)	16.53	(3)	...	1.37
To local governments	(2)	2.23	(3)	36.22	(3)
Direct expenditure	663.76	419.43	244.33	86.97	157.36
General expenditure	585.76	381.68	204.08	67.72	136.36
National defense	246.43	246.43	...	...	...
All other	339.33	135.25	204.08	67.72	136.36
International assistance and foreign affairs	13.37	13.37	...	...	...
Postal service	16.49	16.49	...	...	...
Education, total	76.91	4.85	72.06	11.53	60.53
Institutions of higher education	9.55	.05	9.50	8.88	0.61
Elementary and secondary schools	61.21	.19	61.02	1.37	59.65
Other education	6.15	4.61	1.54	1.27	.27
Highways	39.46	.41	39.05	23.60	15.45
Public welfare, total	19.42	.25	19.17	9.68	9.49
Categorical public assistance	13.79	.06	13.73	8.00	5.73
Other public assistance	2.31	...	2.31	.59	1.72
Other public welfare	3.33	.20	3.13	1.10	2.03
Health	4.28	1.44	2.85	1.17	1.68
Hospitals	16.46	4.04	12.43	6.93	5.49
Police	8.22	.78	7.44	.84	6.60
Local fire protection	4.20	...	4.20	...	4.20
Natural resources	25.89	21.09	4.80	3.61	1.19
Sanitation	6.91	...	6.91	...	6.91
Local parks and recreation	3.08	...	3.08	...	3.08
Housing and community redevelopment	3.70	.68	3.02	.01	3.01
Veterans' services, n.e.c.	18.51	18.14	.37	.37	...
Nonhighway transportation	6.82	4.95	1.88	.24	1.63
General control	12.46	3.67	8.79	2.71	6.08
Interest on general debt	40.62	35.54	5.07	1.52	3.55
Other and unallocable general expenditure	22.51	9.53	12.98	5.51	7.47
Utility and liquor stores expenditure	23.52	...	23.52	4.66	18.86
Liquor stores	5.22	...	5.22	4.66	.57
Local utilities	18.29	...	18.29	...	18.29
Insurance trust expenditure	54.48	37.75	16.73	14.59	2.14
Employee retirement	6.97	2.60	4.37	2.26	2.11
Unemployment compensation	12.06	1.25	10.80	10.77	.03
Total debt outstanding	1,928.26	1,660.38	267.88	67.76	200.12
Long-term, total	(2)	(2)	259.81	66.27	189.54
Full faith and credit	(2)	(2)	184.81	35.88	148.93
Non-guaranteed	(2)	(2)	71.00	30.39	40.61
Short-term	(2)	(2)	12.07	1.50	10.57
Exhibit: Net long-term	(2)	(2)	233.00	57.45	175.55

Note: Because of rounding, detail may not add to total. Computations are based on estimated total population of the United States, including armed forces overseas, as of July 1, 1955.  
 (1) Not computed. See footnote 1, table 1.  
 (2) Not computed. See footnote 2, table 17.