

FINANCIAL STATEMENT (1941-42)

RETURN to an Order of the Honourable The House of Commons
dated 7th April, 1941:—*for*

COPY of "STATEMENT of REVENUE and EXPENDITURE as laid
before the House by the CHANCELLOR of the EXCHEQUER
when opening the BUDGET"

Treasury Chambers,
7th April, 1941 } HARRY CROOKSHANK

(*Captain Crookshank*)

Ordered by The House of Commons to be Printed
7th April, 1941

LONDON

PRINTED AND PUBLISHED BY HIS MAJESTY'S STATIONERY OFFICE

To be purchased directly from H.M. STATIONERY OFFICE at the following addresses:

York House, Kingsway, London, W.C.2; 120 George Street, Edinburgh 2;

26 York Street, Manchester 1; 1 St. Andrew's Crescent, Cardiff;

80 Chichester Street, Belfast;

or through any bookseller

1941

Price 6d. net



CONTENTS

<i>Table</i>	<i>Page</i>
I. Expenditure, 1940-41: Estimates and Exchequer Issues	3
II. Revenue, 1940-41: Budget Estimate and Exchequer Receipts	4
III. Exchequer Balance Sheet, 1940-41	5
IV. National Debt (approximate Totals) at 31st March, 1941	6
V. Expenditure: Classified Statement of Budget Estimates, 1940-41 and 1941-42... ..	7
(a) Grants for Local and other Services	8
(b) National Pensions and Insurance, and Unemployment Assistance	8
(c) Other Services	9
VI. National Expenditure and Rates collected by Local Authorities	10
VII. Expenditure: Estimates, 1940-41 and 1941-42 ...	11
VIII. Revenue: Estimates, 1940-41 and 1941-42 (existing basis)	12
IX. Changes of Taxation in 1941-42	13
X. Income Tax: Amount of tax, effective rate and post-war credit portion for specimen incomes ...	10×30 14-23
XI. Customs and Excise Revenue under the several heads of Duty	10×30 24-25
XII. Estimated Effect of Changes in Taxation]	26
XIII. Budget Estimates, 1941-42:—	
A.—Ordinary Revenue and Expenditure	27
B.—Self-Balancing Revenue and Expenditure ...	28

1940-41.

TABLE I.—Comparison of Exchequer Issues with Estimated Expenditure.

	1940-41.			
	Total Expenditure provided for in the Budget of July 1940.	Supplementary Votes subsequently granted.	Total Estimated Expenditure.	Exchequer Issues.
Ordinary Expenditure.				
CONSOLIDATED FUND SERVICES.	£	£	£	£
Interest and Management of National Debt ...	230,000,000	—	230,000,000	212,957,000*
Payments to Northern Ireland Exchequer ...	9,400,000	—	9,400,000	9,699,000†
Other Consolidated Fund Services ...	7,600,000	—	7,600,000	7,476,000
Total ...	247,000,000	—	247,000,000	230,132,000
SUPPLY SERVICES (excluding Post Office and Broadcasting).				
Defence Token Votes ...	4,000	—	4,000	5,000
Civil Votes (excluding Vote for Broadcasting) ...	404,867,000	16,335,000	421,202,000	402,320,000
Customs and Excise and Inland Revenue Votes ...	14,919,000	—	14,919,000	14,788,000
Votes of Credit ...	2,800,000,000	500,000,000	3,300,000,000	3,220,000,000
Total Supply Services (excluding Post Office and Broadcasting) ...	3,219,790,000	516,335,000	3,736,125,000	3,637,113,000
Total Ordinary Expenditure	3,466,790,000	516,335,000	3,983,125,000	3,867,245,000
SINKING FUNDS ...	—	—	—	17,043,000*
Total ...	3,466,790,000	516,335,000	3,983,125,000	3,884,288,000
Self-Balancing Expenditure.				
Post Office Vote ...	81,722,000	—	81,722,000	81,722,000‡
Vote for Broadcasting ...	4,500,000	200,000	4,700,000	4,695,000
Total Self-Balancing Expenditure ...	86,222,000	200,000	86,422,000	86,417,000

* These two items together make up the total of the Permanent Debt Charge (£230,000,000) as fixed by Section 61 (1) of the Finance Act, 1940.

† Including £8,297,000, net share of reserved taxes.

‡ In addition, £8,700,000 was issued to the Post Office from Votes of Credit.

1940-41.

TABLE II.—Comparison of Exchequer Receipts with Budget Estimate.

1939-40 Exchequer Receipts.	—	1940-41.		
		Budget Estimate of July 1940.	Exchequer Receipts.	+ Increase or — Decrease.
Ordinary Revenue.				
£	INLAND REVENUE.	£	£	£
390,083,000	Income Tax	510,500,000	523,949,000	+ 13,449,000
69,780,000	Sur-tax	83,000,000	76,107,000	— 6,893,000
77,720,000	Estate Duties	86,100,000	80,777,000	— 5,323,000
17,070,000	Stamps	19,000,000	13,678,000	— 5,322,000
26,940,000	National Defence Con- tribution	70,000,000 {	24,085,000	} + 26,188,000
40,000	Excess Profits Tax		72,103,000	
1,300,000	Other Inland Revenue Duties	1,000,000	1,015,000	+ 15,000
582,933,000		769,600,000	791,714,000	+ 22,114,000
CUSTOMS AND EXCISE.				
262,136,000	Customs	309,350,000	304,939,000	— 4,411,000
137,900,000	Excise	213,550,000	224,100,000	+ 10,550,000
400,036,000		522,900,000	529,039,000	+ 6,139,000
34,086,000	MOTOR VEHICLE DUTIES ...	35,000,000	38,006,000	+ 3,006,000
1,017,055,000	TOTAL RECEIPTS FROM TAXES	1,327,500,000	1,358,759,000	+ 31,259,000
3,846,000	Post Office net Receipt ...	13,291,000	15,323,000*	+ 2,032,000
1,757,000	Post Office Fund	—	—	—
1,250,000	Crown Lands	1,150,000	1,100,000	— 50,000
4,940,000	Receipts from Sundry Loans	5,000,000	2,553,000	— 2,447,000
20,341,000	Miscellaneous	13,250,000	31,132,000	+ 17,882,000
1,049,189,000	Total Ordinary Revenue	1,360,191,000	1,408,867,000	+ 48,676,000
Self-Balancing Revenue.				
83,054,000	Revenue required to meet expenditure on Post Office and Broadcasting	86,222,000	86,417,000	+ 195,000

* After allowing for excess (£355,000) of Expenditure from Vote for Broadcasting over receipts from Wireless Licences.

1940-41.

TABLE III.—EXCHEQUER BALANCE SHEET of 1940-41.

Receipts.		Payments.	
	£		£
Ordinary Revenue ...	1,408,867,000	Ordinary Expenditure ...	3,867,245,000
		Sinking Funds ...	*17,043,000
			3,884,288,000
Self-Balancing Revenue ...	86,417,000	Self-Balancing Expenditure ...	86,417,000
	1,495,284,000		3,970,705,000
Receipts under Section 1 (4) of the Defence Loans Act, 1937	20,540,000	Bullion Advances (net) ...	50,000
Receipts under Section 4 (4) (b) of the Overseas Trade Guarantees Act, 1939 ...	142,000	Issues under Section 1 (5) (b) of the Defence Loans Act, 1937	20,540,000
Receipts under the Housing Act, 1914 (net) ...	6,000	Issues under Section 4 (5) (a) of the Overseas Trade Guarantees Act, 1939 ...	142,000
Money raised by creation of Debt:—		Issues for Redemption of Debt:—	
National Savings Certificates ...	192,700,000	National Savings Certificates ...	21,900,000
3 per cent. Defence Bonds ...	190,435,000	3 per cent. Defence Bonds ...	794,000
3 per cent. War Loan, 1955-59 ...	203,234,000	National Savings Bonds ...	119,000
2½ per cent. National War Bonds, 1945-47	443,707,000	4½ per cent. Conversion Loan, 1940-44	104,439,000
2½ per cent. National War Bonds, 1946-48	148,300,000	1 per cent. Treasury Bonds, 1941 ...	99,950,000
3 per cent. Savings Bonds, 1955-65 ...	88,545,000		227,202,000
3 per cent. National Defence Loan, 1954-58 ...	76,125,000	Issues under the following Acts:—	
Other Debt under the National Loans Acts, 1939-40 (net)	34,699,000	Anglo-Turkish (Armaments Credit) Agreement Act, 1938 (S.1) ...	1,841,000
Treasury Bills (net)	789,102,000†	Overseas Trade Guarantees Act, 1939 (S.4 (1)) ...	5,941,000
Ways and Means Advances (net) ...	110,770,000	Tithe Act, 1936 (S.26 (1)) ...	1,900,000
Treasury Deposits by Banks (net) ...	429,500,000	North Atlantic Shipping Act, 1934 (S.1 (1)) ...	102,000
	2,707,117,000	Old Sinking Fund, 1907-08:—	
		Under Finance Act, 1908 (S.9)	79,000
Repayments, &c.:—			
Under Land Settlement (Facilities) Acts, 1919 and 1921	168,000		
Under Section 26 of the Tithe Act, 1936 ...	2,267,000		
Under Section 4 of the Overseas Trade Guarantees Act, 1939	3,210,000		
Exchequer Balance on 31st March, 1940 ...	2,395,000	Exchequer Balance on 31st March, 1941 ...	2,627,000
	4,231,129,000		4,231,129,000

* The following issues out of Revenue to purchase or redeem Debt are included under the head of Sinking Funds:—

Specific Sinking Funds:—		£
Capital of Terminable Annuities ...		1,070,000
4 per cent. Funding Loan Sinking Fund ...		4,779,000
3 per cent. Funding Loan Sinking Fund ...		1,908,000
Victory Bonds Sinking Fund ...		4,018,000
Balance issued to National Debt Commissioners to redeem debt ...		5,268,000
Total ...		£17,043,000

† This figure does not take account of £5,265,000 paid off out of balance of Sinking Fund.

TABLE IV.

NATIONAL DEBT (approximate Totals).

	£
2½% Consols, &c.	313,208,000
Terminable Annuities	14,757,000
3½% Conversion Loan	739,329,000
4% Consolidated Loan	400,714,000
3½% War Loan	1,911,072,000
2½% Funding Loan, 1956-61	200,211,000
2¾% Funding Loan, 1952-57	100,562,000
3% Funding Loan, 1959-69	137,893,000
4% Funding Loan, 1960-90	337,312,000
2% Conversion Loan, 1943-45	245,349,000
2½% Conversion Loan, 1944-49	206,522,000
3% Conversion Loan, 1948-53	301,835,000
4½% Conversion Loan, 1940	45,000†
5% Conversion Loan, 1944-64	321,529,000
2½% National Defence Bonds, 1944-48	100,165,000
3% National Defence Loan, 1954-58	156,219,000
3% War Loan, 1955-59	302,528,000
2½% National War Bonds, 1945-47	443,707,000
2½% National War Bonds, 1946-48	148,300,000
3% Savings Bonds, 1955-65	88,545,000
4% Victory Bonds	302,065,000
1% Treasury Bonds, 1941	50,000‡
National Savings Certificates*	601,307,000
National Savings Bonds	3,250,000
3% Defence Bonds	249,649,000
Other Debt under the War Loan Acts, 1914-19 and National Loans Acts, 1939 and 1940	36,269,000
Treasury Deposits by Banks	429,500,000
Treasury Bills	2,211,650,000
Ways and Means Advances	172,260,000
<i>Deduct:</i>	10,475,802,000
Victory Bonds, &c., purchased by National Debt Commissioners, but not yet cancelled	113,663,000
	10,362,139,000
EXTERNAL DEBT arising out of the War of 1914-18	1,032,427,000†
<i>Net Total of the National Debt on 31st March, 1941</i>	<u>11,394,566,000</u>

Note.—On the 31st March, 1941, the following amounts were outstanding in respect of Inter-Governmental Loans by the United Kingdom which arose out of the War of 1914-18:—

	£
Loans funded (aggregate annuity payments)	1,148,595,000
Other Loans	1,799,540,000

Payments in respect of these loans have been suspended since 1st July, 1931.

* National Savings Certificates are shown at issue price, exclusive of accrued interest.

† Foreign currency at par of exchange.

‡ Balance unissued at 31st March, 1941.

TABLE V.—Classified Statement of Estimated EXPENDITURE.

	1940-41 (Budget of July 1940)		1941-42.		
	£000.	£000.	£000.	£000.	Increase + or Decrease — £000.
1. GRANTS FOR LOCAL AND OTHER SERVICES ... (For details see Table V (a))	...	185,626		176,167	— 9,459
2. IRISH SERVICES ...	...	16,493		16,264	— 229
3. NATIONALLY ADMINIS- TERED SERVICES—					
National Debt Interest and Management ...	...	230,000		255,000	+ 25,000
National Pensions and Insurance, and Un- employment Assistance (For details see Table V (b))	...	174,503		192,945	+ 18,442
Defence Token Votes ...	...	4*		4*	—
Tax Collection—					
(a) Customs and Excise	6,214		6,406		
(b) Inland Revenue ...	9,503		10,529		
		15,717†		16,935†	+ 1,218
Other Services ...	...	44,447		49,642	+ 5,195
(For details see Table V (c))					
Votes of Credit ...	...	2,800,000		3,500,000§	+ 700,000
Total Ordinary Expenditure ...		3,466,790		4,206,957	+ 740,167
4. SELF-SUPPORTING SERVICES— Post Office and Broadcasting ...		86,222		99,346‡	+ 13,124

* Substantive cost met from Votes of Credit.

† Including Allied Services Expenditure—1940 £798,000; 1941 £715,000.

‡ In addition, £4,970,000 is estimated to be required from Votes of Credit.

§ Excluding value of supplies from the United States of America under the Lease and Lend Act and payments under existing orders in that country.

TABLE V (a).—GRANTS FOR LOCAL AND OTHER SERVICES.*

	1940-41.	1941-42.	
	£000.	£000.	Increase + or Decrease — £000.
(a) General Grant for Local Services— Exchequer Contributions to Local Revenues	53,174	52,794	— 380
(b) Specific Grants for Local Services (in addition to provision included in the first item above)—			
Education (excluding Teachers' Pensions) ...	58,165	60,542	+ 2,377
Health Services	782	758	— 24
Housing	18,775	18,781	+ 6
Police	14,378	14,221	— 157
Roads (including Trunk Roads), &c. ...	15,860	10,274	— 5,586
Special Areas Fund	2,800	1,250	— 1,550
Unemployment Grants and Loans (including Development Grants)	3,585	3,130	— 455
Miscellaneous	228	1,217	+ 989
(c) Other Grants—			
Agriculture (including Grants for Land Settlement, Lime and Basic Slag, and Development Fund)	5,827	4,090	— 1,737
Colonial Development Fund	600	—	— 600
Colonial Development and Welfare ...	—	781	+ 781
Foreign and Imperial	9,585	7,001	— 2,584
Scientific and Industrial Research ...	202	190	— 12
Miscellaneous	1,665	1,138	— 527
TOTAL	185,626	176,167	— 9,459

TABLE V (b).—NATIONAL PENSIONS AND INSURANCE, AND UNEMPLOYMENT ASSISTANCE.*

	1940-41.	1941-42.	
	£000.	£000.	Increase + or Decrease — £000.
Grants to Insurance Schemes, &c.—			
(i) Health... ..	6,789	7,428	+ 639
(ii) Unemployment Insurance and Assistance ...	53,030	42,680	— 10,350
Old Age Pensions†	50,220	51,066	+ 846
Supplementary Pensions†	6,050	33,000	+ 26,950
Payment to Widows', Orphans' and Old Age Contributory Pensions Accounts	20,550	21,525	+ 975
War Pensions, 1914-18 (including Merchant Sea- men's Pensions)†... ..	37,864	37,246	— 618
TOTAL	174,503	192,945	+ 18,442

* Excluding expenditure from Votes of Credit.

† These items include cost of administration.

TABLE V (c).—OTHER SERVICES.*

	1940-41.	1941-42.	
	£000.	£000.	Increase + or Decrease — £000.
Agriculture and Forestry†	3,046	2,908	— 138
Civil Superannuation (other than Revenue Departments)	2,820	2,893	+ 73
Financial Assistance in Special and other Areas†	704	204	— 500
Foreign and Imperial Services†... ..	3,724	4,812	+ 1,088
Payments under Trade Facilities Acts	250	175	— 75
Prisons and State Asylums, &c.† ...	1,800	1,885	+ 85
Scientific Investigation and Museums†	1,329	1,373	+ 44
Teachers' Pensions	3,474	3,901	+ 427
Works, Buildings and Stationery, &c.†... ..	11,782	13,933	+ 2,151
Miscellaneous (including General Administration)	15,518	17,558	+ 2,040
TOTAL	44,447	49,642	+ 5,195

* Excluding expenditure from Votes of Credit.

† These items include cost of administration.

TABLE VI.—National Expenditure and Rates collected by Local Authorities over a series of years.

Year.	National Expenditure.					Rates collected by Local Authorities **.
	Ordinary Expenditure. *	Issues under Defence Loans Acts, 1937 and 1939.	Borrowing by Unemployment Fund.	Expenditure out of the Road Fund.	Total of Columns 2, 3, 4, and 5.	
(1)	(2)	(3)	(4)	(5)	(6)	(7)
	£000.	£000.	£000.	£000.	£000.	£000.
1913-14 ...	169,453†	—	—	952	170,405	78,971
1931-32 ...	771,974	—	39,610	23,941	835,525	165,168
1932-33 ...	777,387	—	—	23,187	800,574	163,678
1933-34 ...	692,802	—	—	21,014	713,816	167,007
1934-35 ...	708,932	—	—	19,958	728,890	173,701
1935-36 ...	749,806	—	—	20,934	770,740	184,164
1936-37 ...	802,305	—	—	22,931	825,236	193,238
1937-38 ...	841,258†	64,867	—	5,607‡	911,732	197,851§
1938-39 ...	941,381	128,050	—	—	1,069,431	210,104§
1939-40 ...	1,275,756	491,750	—	—	1,767,506	222,268§
1940-41 ...	3,884,288¶	—	—	—	3,884,288	††219,507§

* Including Sinking Fund payments inside the Permanent Debt Charge.

† Adjusted to conform to certain changes made subsequently in the form of the accounts.

‡ The figure of expenditure charged to revenue includes in 1937-38, for the first time, issues to the Road Fund, which was previously fed from self-balancing revenue. The charge on Votes to meet Road Fund expenditure was diminished exceptionally in the year 1937-38 by the balance of £5,607,000 standing in the fund at 1st April, 1937, which is shown in Column (5) in order to build up to the total figure of expenditure.

§ Estimated.

¶ Exchequer Issues.

** Since a large portion of local authorities' expenditure is met out of Exchequer grants, already included in Column (2), the simplest approximate index to the actual burden of local expenditure is afforded by the figures of rates collected, which over a series of years represent very closely the expenditure falling on rates.

†† viz., England and Wales £197,000,000, Scotland £22,507,000.

1941-42.

TABLE VII.—Comparison of Estimated EXPENDITURE under Budget heads.

Service.	1940-41. Budget Estimate of July 1940.	Estimate, 1941-42.	+ Increase or — Decrease.
	£	£	£
Ordinary Expenditure.			
CONSOLIDATED FUND SERVICES.			
Interest and Management of National Debt	230,000,000	255,000,000	+ 25,000,000
Payments to Northern Ireland Exchequer (including net share of reserved taxes) ...	9,400,000	9,200,000	— 200,000
Other Consolidated Fund Services	7,600,000	7,800,000	+ 200,000
TOTAL	247,000,000	272,000,000	+ 25,000,000
SUPPLY SERVICES (excluding Post Office and Broadcasting).			
Defence Token Votes	4,000	4,000*	—
Civil Votes (excluding Vote for Broadcasting)	404,867,000	418,733,000	+ 13,866,000
Customs and Excise and Inland Revenue Votes	14,919,000	16,220,000	+ 1,301,000
Votes of Credit	2,800,000,000	3,500,000,000†	+ 700,000,000
TOTAL SUPPLY SERVICES (excluding Post Office and Broadcasting) ...	3,219,790,000	3,934,957,000	+ 715,167,000
Total Ordinary Expenditure	3,466,790,000	4,206,957,000	+ 740,167,000
Self-Balancing Expenditure.			
Post Office Vote	81,722,000	93,746,000†	+ 12,024,000
Vote for Broadcasting	4,500,000	5,600,000	+ 1,100,000
Total Self-Balancing Expenditure ...	86,222,000	99,346,000	+ 13,124,000

* Substantive cost to be met from Votes of Credit.

† In addition, £4,970,000 is estimated to be required from Votes of Credit.

‡ Excluding value of supplies from the United States of America under the Lease and Lend Act and payments under existing orders in that country.

1941-42.

TABLE VIII.—Comparison of Estimated RECEIPTS from Revenue in 1941-42 with corresponding Receipts in 1940-41.

On the basis of existing Taxation.

	Receipts in 1940-41.	Estimate for 1941-42 on basis of existing Taxation.	+ Increase or - Decrease.
Ordinary Revenue :	£	£	£
INLAND REVENUE.			
Income Tax	523,949,000	605,000,000	+ 81,051,000
Sur-tax	76,107,000	80,000,000	+ 3,893,000
Estate Duties	80,777,000	82,000,000	+ 1,223,000
Stamps	13,678,000	14,000,000	+ 322,000
National Defence Contribution	24,085,000	} 210,000,000	+ 113,812,000
Excess Profits Tax	72,103,000		
Other Inland Revenue Duties	1,015,000	1,000,000	- 15,000
	791,714,000	992,000,000	+ 200,286,000
CUSTOMS AND EXCISE.			
Customs	304,939,000	310,700,000	+ 5,761,000
Excise	224,100,000	267,300,000	+ 43,200,000
	529,039,000	578,000,000	+ 48,961,000
MOTOR VEHICLE DUTIES	38,006,000	39,000,000	+ 994,000
TOTAL RECEIPTS FROM TAXES	1,358,759,000	1,609,000,000	+ 250,241,000
Post Office net Receipt	15,323,000	3,300,000*	- 12,023,000
Crown Lands	1,100,000	1,100,000	—
Receipts from Sundry Loans	2,553,000	2,600,000	+ 47,000
Miscellaneous	31,132,000	20,000,000	- 11,132,000
Total Ordinary Revenue	1,408,867,000	1,636,000,000	+ 227,133,000
Self-Balancing Revenue:			
Revenue required to meet expenditure on Post Office and Broadcasting ...	86,417,000	99,346,000	+ 12,929,000

* After allowing for excess (£1,500,000) of Expenditure from Vote for Broadcasting over receipts from Wireless Licences.

TABLE IX.—CHANGES OF TAXATION IN 1941-42.

INLAND REVENUE.

INCOME TAX.

It is proposed to raise the standard rate of tax by 1s. 6d. to 10s. in the £.

It is proposed to raise the reduced rate of tax payable on the first £165 of an individual's taxable income by 1s. 6d. to 6s. 6d. in the £.

It is proposed to reduce the relief for earned income from one-sixth of such income (with a maximum allowance of £250) to one-tenth of such income (with a maximum allowance of £150).

It is proposed to reduce the personal allowance for married persons from £170 to £140 and for other persons from £100 to £80.

It is proposed to reduce the exemption limit from £120 to £110.

It is proposed to treat the additional tax payable by each individual taxpayer in respect of the reductions in the earned income allowance and the personal allowance as a credit to be made available to him after the war in such manner as Parliament may hereafter determine.

It is proposed to amend the law in connection with the arrangements for the concentration of industry.

It is proposed to make the profits of farming chargeable under Schedule D instead of Schedule B in certain cases.

EXCESS PROFITS TAX.

It is proposed to amend the law in regard to the treatment of borrowed capital, profits arising from wasting assets and other matters.

It is proposed to treat 20 per cent. of the net amount of excess profits tax paid at the rate of 100 per cent. by every concern, after deducting any repayments on account of deficiencies, as a credit to be refunded to the taxpayer after the war in such manner and subject to such conditions as Parliament may hereafter determine.

CUSTOMS AND EXCISE.

EXCISE.

Medicines liable to stamp duty.—It is proposed to repeal the duties on these medicines, and also the licence duty payable by a maker or vendor of such medicines, as from the 2nd September, 1941.

TABLE X.—INCOME TAX.

Amount of tax, effective rate of tax per pound of income, and post-war credit portion for specimen incomes.

(1a) Single Persons—Income all Earned Income.

NOTE.—The Table shows the Tax payable by Single Persons after deduction of the Personal Allowance and Earned Income Relief. The Taxpayer, however, may be entitled to further reliefs which would reduce the tax payable below the amounts shown in the Table.

Total Income.	Year 1939-40.		Year 1940-41.		Year 1941-42.		
	Charge under Pre-War Budget (Finance Act, 1939).		Existing Charge (Finance (No. 2) Act, 1940).		Proposed Charge.		
	Income Tax (and Sur-tax if any).	Effec- tive Rate.	Income Tax (and Sur-tax if any).	Effec- tive Rate.	Total Charge.	Effec- tive Rate.	Post-War Credit.
£	£ s. d.	s. d.	£ s. d.	s. d.	£ s. d.	s. d.	£ s. d.
110	—	—	—	—	—	—	—
120	—	—	—	—	7 10 0	1 3	7 10 0
125	—	—	1 0 10	— 2	10 11 3	1 8½	9 4 2
130	— 6 8	— 0½	2 1 8	— 4	12 0 6	1 10	9 6 4
140	1 0 0	— 1½	4 3 4	— 7	14 19 0	2 1½	9 10 8
150	1 13 4	— 2½	6 5 0	— 10	17 17 6	2 4½	9 15 0
170	3 0 0	— 4	10 8 4	1 2½	23 14 6	2 9½	10 3 8
200	5 0 0	— 6	16 13 4	1 8	32 10 0	3 3	10 16 8
225	6 13 4	— 7	21 17 6	1 11½	39 16 3	3 6½	11 7 6
250	8 6 8	— 8	27 1 8	2 2	47 2 6	3 9	11 18 4
300	12 12 6	— 10	37 10 0	2 6	66 2 6	4 5	17 7 6
350	23 12 6	1 4	52 11 8	3 0	88 12 6	5 1	21 13 4
400	34 12 6	1 9	70 5 10	3 6	111 2 6	5 6½	23 6 8
500	56 12 6	2 3	105 14 2	4 2½	156 2 6	6 3	26 13 4
600	78 12 6	2 7½	141 2 6	4 8½	201 2 6	6 8½	30 0 0
700	100 12 6	2 10½	176 10 10	5 0½	246 2 6	7 0½	33 6 8
800	122 12 6	3 1	211 19 2	5 3½	291 2 6	7 3½	36 13 4
900	144 12 6	3 2½	247 7 6	5 6	336 2 6	7 5½	40 0 0
1,000	166 12 6	3 4	282 15 10	5 8	381 2 6	7 7½	43 6 8
1,250	221 12 6	3 6½	371 6 8	5 11½	493 12 6	7 11	51 13 4
1,500	276 12 6	3 8½	459 17 6	6 1½	606 2 6	8 1	60 0 0
2,000	414 2 6	4 1½	672 7 6	6 8½	856 2 6	8 6½	*
2,500	580 7 6	4 7½	934 17 6	7 5½	1,156 2 6	9 3	
3,000	753 16 3	5 0½	1,203 12 6	8 0½	1,462 7 6	9 9	
4,000	1,143 16 3	5 8½	1,791 2 6	8 11½	2,124 17 6	10 7½	
5,000	1,591 6 3	6 4½	2,428 12 6	9 8½	2,837 7 6	11 4	
6,000	2,067 11 3	6 10½	3,103 12 6	10 4	3,587 7 6	11 11½	
7,000	2,572 11 3	7 4	3,816 2 6	10 11	4,374 17 6	12 6	
8,000	3,077 11 3	7 8½	4,528 12 6	11 4	5,162 7 6	12 11	
9,000	3,652 11 3	8 1½	5,303 12 6	11 9½	6,012 7 6	13 4½	
10,000	4,227 11 3	8 5½	6,078 12 6	12 2	6,862 7 6	13 8½	
15,000	7,252 11 3	9 8	10,266 2 6	13 8½	11,424 17 6	15 3	
20,000	10,427 11 3	10 5	14,641 2 6	14 7½	16,174 17 6	16 2	
25,000	13,752 11 3	11 0	19,141 2 6	15 4	21,049 17 6	16 10	
30,000	17,077 11 3	11 4½	23,641 2 6	15 9	25,924 17 6	17 3½	
40,000	24,027 11 3	12 0	32,641 2 6	16 4	35,674 17 6	17 10	
50,000	30,977 11 3	12 4½	41,641 2 6	16 8	45,424 17 6	18 2	
100,000	67,227 11 3	13 5½	86,641 2 6	17 4	94,174 17 6	18 10	
150,000	103,477 11 3	13 9½	131,641 2 6	17 6½	142,924 17 6	19 0½	

* For higher incomes this figure remains constant at £60.

TABLE X.—INCOME TAX—*continued*.

(1b) Single Persons—Income all Investment Income.

NOTE.—The Table shows the Tax payable by Single Persons after deduction of the Personal Allowance. The Taxpayer, however, may be entitled to further reliefs which would reduce the tax payable below the amounts shown in the Table.

Total Income.	Year 1939-40.		Year 1940-41.		Year 1941-42.		
	Charge under Pre-War Budget (Finance Act, 1939).		Existing Charge (Finance (No. 2) Act, 1940).		Proposed Charge.		
	Income Tax (and Sur-tax if any).	Effec- tive Rate.	Income Tax (and Sur-tax if any).	Effec- tive Rate.	Total Charge.	Effec- tive Rate.	Post-War Credit.
£	£ s. d.	s. d.	£ s. d.	s. d.	£ s. d.	s. d.	£ s. d.
110	—	—	—	—	—	—	—
120	—	—	—	—	7 10 0	1 3	7 10 0
125	—	—	2 10 0	— 5	11 5 0	1 9½	8 15 0
130	1 0 0	— 2	5 0 0	— 9	15 0 0	2 3½	10 0 0
140	3 0 0	— 5	10 0 0	1 5	19 10 0	2 9½	6 10 0
150	4 3 4	— 6½	12 10 0	1 8	22 15 0	3 0½	6 10 0
170	5 16 8	— 8	17 10 0	2 1	29 5 0	3 5½	6 10 0
200	8 6 8	— 10	25 0 0	2 6	39 0 0	3 11	6 10 0
225	10 8 4	— 11	31 5 0	2 9½	47 2 6	4 2½	6 10 0
250	15 7 6	1 3	37 10 0	3 0	56 2 6	4 6	7 7 6
300	29 2 6	1 11½	56 2 6	3 9	81 2 6	5 5	10 0 0
350	42 17 6	2 5½	77 7 6	4 5	106 2 6	6 1	*
400	56 12 6	2 10	98 12 6	4 11	131 2 6	6 6½	
500	84 2 6	3 4½	141 2 6	5 7½	181 2 6	7 3	
600	111 12 6	3 8½	183 12 6	6 1½	231 2 6	7 8½	
700	139 2 6	3 11½	226 2 6	6 5½	281 2 6	8 0½	
800	166 12 6	4 2	268 12 6	6 8½	331 2 6	8 3½	
900	194 2 6	4 4	311 2 6	6 11	381 2 6	8 5½	
1,000	221 12 6	4 5	353 12 6	7 1	431 2 6	8 7½	
1,250	290 7 6	4 8	459 17 6	7 4½	556 2 6	8 11	
1,500	359 2 6	4 9½	566 2 6	7 6½	681 2 6	9 1	
2,000	496 12 6	4 11½	778 12 6	7 9½	931 2 6	9 3½	
2,500	662 17 6	5 3½	1,041 2 6	8 4	1,231 2 6	9 10	
3,000	836 6 3	5 7	1,309 17 6	8 9	1,537 7 6	10 3	
4,000	1,226 6 3	6 1½	1,897 7 6	9 6	2,199 17 6	11 0	
5,000	1,673 16 3	6 8½	2,534 17 6	10 1½	2,912 7 6	11 8	
6,000	2,150 1 3	7 2	3,209 17 6	10 8½	3,662 7 6	12 2½	
7,000	2,655 1 3	7 7	3,922 7 6	11 2½	4,449 17 6	12 8½	
8,000	3,160 1 3	7 11	4,634 17 6	11 7	5,237 7 6	13 1	
9,000	3,735 1 3	8 3½	5,409 17 6	12 0½	6,087 7 6	13 6½	
10,000	4,310 1 3	8 7½	6,184 17 6	12 4½	6,937 7 6	13 10½	
15,000	7,335 1 3	9 9½	10,372 7 6	13 10	11,499 17 6	15 4	
20,000	10,510 1 3	10 6	14,747 7 6	14 9	16,249 17 6	16 3	
25,000	13,835 1 3	11 1	19,247 7 6	15 5	21,124 17 6	16 11	
30,000	17,160 1 3	11 5½	23,747 7 6	15 10	25,999 17 6	17 4	
40,000	24,110 1 3	12 0½	32,747 7 6	16 4½	35,749 17 6	17 10½	
50,000	31,060 1 3	12 5	41,747 7 6	16 8½	45,499 17 6	18 2½	
100,000	67,310 1 3	13 5½	86,747 7 6	17 4	94,249 17 6	18 10	
150,000	103,560 1 3	13 9½	131,747 7 6	17 7	142,999 17 6	19 1	

* For higher incomes this figure remains constant at £10.

TABLE X.—INCOME TAX—*continued*.

(2a) Married Couples without Children—Income all Earned Income.

NOTE.—The Table shows the Tax payable by Married Couples without Children after deduction of the Married Allowance and Earned Income Relief. The Taxpayer, however, may be entitled to further reliefs which would reduce the tax payable below the amounts shown in the Table.

Total Income.	Year 1939-40.		Year 1940-41.		Year 1941-42.		
	Charge under Pre-War Budget (Finance Act, 1939).		Existing Charge (Finance (No. 2) Act, 1940).		Proposed Charge.		
	Income Tax (and Sur-tax if any).	Effec- tive Rate.	Income Tax (and Sur-tax if any).	Effec- tive Rate.	Total Charge.	Effec- tive Rate.	Post-War Credit.
£	£ s. d.	s. d.	£ s. d.	s. d.	£ s. d.	s. d.	£ s. d.
155	—	—	—	—	—	—	—
160	—	—	—	—	1 6 0	— 2	1 6 0
170	—	—	—	—	4 4 6	— 6	4 4 6
180	—	—	—	—	7 3 0	— 9½	7 3 0
200	—	—	—	—	13 0 0	1 3½	13 0 0
225	—	—	4 7 6	— 4½	20 6 3	1 9½	14 12 6
250	1 13 4	— 1½	9 11 8	— 9	27 12 6	2 2½	15 3 4
300	5 0 0	— 4	20 0 0	1 4	42 5 0	2 10	16 5 0
350	8 6 8	— 5½	30 8 4	1 9	58 12 6	3 4	19 1 8
400	12 12 6	— 7½	40 16 8	2 0½	81 2 6	4 0½	28 0 10
500	34 12 6	1 4½	75 19 2	3 0½	126 2 6	5 0½	31 13 4
600	56 12 6	1 10½	111 7 6	3 8½	171 2 6	5 8½	35 0 0
700	78 12 6	2 3	146 15 10	4 2½	216 2 6	6 2	38 6 8
800	100 12 6	2 6	182 4 2	4 6½	261 2 6	6 6½	41 13 4
900	122 12 6	2 8½	217 12 6	4 10	306 2 6	6 9½	45 0 0
1,000	144 12 6	2 10½	253 0 10	5 0½	351 2 6	7 0½	48 6 8
1,250	199 12 6	3 2½	341 11 8	5 5½	463 12 6	7 5	56 13 4
1,500	254 12 6	3 4½	430 2 6	5 9	576 2 6	7 8	65 0 0
2,000	392 2 6	3 11	642 12 6	6 5	826 2 6	8 3	
2,500	558 7 6	4 5½	905 2 6	7 3	1,126 2 6	9 0	*
3,000	731 16 3	4 10½	1,173 17 6	7 10	1,432 7 6	9 6½	
4,000	1,121 16 3	5 7½	1,761 7 6	8 9½	2,094 17 6	10 5½	
5,000	1,569 6 3	6 3½	2,398 17 6	9 7	2,807 7 6	11 3	
6,000	2,045 11 3	6 10	3,073 17 6	10 3	3,557 7 6	11 10½	
7,000	2,550 11 3	7 3½	3,786 7 6	10 10	4,344 17 6	12 5	
8,000	3,055 11 3	7 7½	4,498 17 6	11 3	5,132 7 6	12 10	
9,000	3,630 11 3	8 1	5,273 17 6	11 8½	5,982 7 6	13 3½	
10,000	4,205 11 3	8 5	6,048 17 6	12 1	6,832 7 6	13 8	
15,000	7,230 11 3	9 7½	10,236 7 6	13 8	11,394 17 6	15 2½	
20,000	10,405 11 3	10 5	14,611 7 6	14 7½	16,144 17 6	16 1½	
25,000	13,730 11 3	11 0	19,111 7 6	15 3½	21,019 17 6	16 10	
30,000	17,055 11 3	11 4½	23,611 7 6	15 9	25,894 17 6	17 3	
40,000	24,005 11 3	12 0	32,611 7 6	16 3½	35,644 17 6	17 10	
50,000	30,955 11 3	12 4½	41,611 7 6	16 7½	45,394 17 6	18 2	
100,000	67,205 11 3	13 5½	86,611 7 6	17 4	94,144 17 6	18 10	
150,000	103,455 11 3	13 9½	131,611 7 6	17 6½	142,894 17 6	19 0½	

* For higher incomes this figure remains constant at £65.

TABLE X.—INCOME TAX—*continued*.

(2b) Married Couples without Children—Income all Investment Income.

NOTE.—The Table shows the Tax payable by Married Couples without Children after deduction of the Married Allowance. The Taxpayer, however, may be entitled to further reliefs which would reduce the tax payable below the amounts shown in the Table.

Total. Income.	Year 1939-40.		Year 1940-41.		Year 1941-42.		
	Charge under Pre-War Budget (Finance Act, 1939).		Existing Charge (Finance (No. 2) Act, 1940).		Proposed Charge.		
	Income Tax (and Sur-tax if any).	Effec- tive Rate.	Income Tax (and Sur-tax if any).	Effec- tive Rate.	Total Charge.	Effec- tive Rate.	Post-War Credit.
£	£ s. d.	s. d.	£ s. d.	s. d.	£ s. d.	s. d.	£ s. d.
140	—	—	—	—	—	—	—
150	—	—	—	—	3 5 0	— 5	3 5 0
160	—	—	—	—	6 10 0	— 10	6 10 0
170	—	—	—	—	9 15 0	1 2	9 15 0
180	—	—	2 10 0	— 3½	13 0 0	1 5½	9 15 0
200	1 13 4	— 2	7 10 0	— 9	19 10 0	1 11½	9 15 0
225	3 15 0	— 4	13 15 0	1 2½	27 12 6	2 5½	9 15 0
250	5 16 8	— 5½	20 0 0	1 7	35 15 0	2 10½	9 15 0
300	10 0 0	— 8	32 10 0	2 2	52 0 0	3 5½	9 15 0
350	20 17 6	1 2½	47 12 6	2 8½	76 2 6	4 4	15 0 0
400	34 12 6	1 9	68 17 6	3 5½	101 2 6	5 0½	*
500	62 2 6	2 6	111 7 6	4 5½	151 2 6	6 0½	
600	89 12 6	3 0	153 17 6	5 1½	201 2 6	6 8½	
700	117 2 6	3 4	196 7 6	5 7½	251 2 6	7 2	
800	144 12 6	3 7½	238 17 6	5 11½	301 2 6	7 6½	
900	172 2 6	3 10	281 7 6	6 3	351 2 6	7 9½	
1,000	199 12 6	4 0	323 17 6	6 5½	401 2 6	8 0½	
1,250	268 7 6	4 3½	430 2 6	6 10½	526 2 6	8 5	
1,500	337 2 6	4 6	536 7 6	7 2	651 2 6	8 8	
2,000	474 12 6	4 9	748 17 6	7 6	901 2 6	9 0	
2,500	640 17 6	5 1½	1,011 7 6	8 1	1,201 2 6	9 7½	
3,000	814 6 3	5 5	1,280 2 6	8 6½	1,507 7 6	10 0½	
4,000	1,204 6 3	6 0½	1,867 12 6	9 4	2,169 17 6	10 10	
5,000	1,651 16 3	6 7½	2,505 2 6	10 0	2,882 7 6	11 6½	
6,000	2,128 1 3	7 1	3,180 2 6	10 7	3,632 7 6	12 1½	
7,000	2,633 1 3	7 6½	3,892 12 6	11 1½	4,419 17 6	12 7½	
8,000	3,138 1 3	7 10	4,605 2 6	11 6	5,207 7 6	13 0	
9,000	3,713 1 3	8 3	5,380 2 6	11 11½	6,057 7 6	13 5½	
10,000	4,288 1 3	8 7	6,155 2 6	12 3½	6,907 7 6	13 10	
15,000	7,313 1 3	9 9	10,342 12 6	13 9½	11,469 17 6	15 3½	
20,000	10,488 1 3	10 6	14,717 12 6	14 8½	16,219 17 6	16 2½	
25,000	13,813 1 3	11 0½	19,217 12 6	15 4½	21,094 17 6	16 10½	
30,000	17,138 1 3	11 5	23,717 12 6	15 9½	25,969 17 6	17 4	
40,000	24,088 1 3	12 0½	32,717 12 6	16 4½	35,719 17 6	17 10½	
50,000	31,038 1 3	12 5	41,717 12 6	16 8	45,469 17 6	18 2½	
100,000	67,288 1 3	13 5½	86,717 12 6	17 4	94,219 17 6	18 10	
150,000	103,538 1 3	13 9½	131,717 12 6	17 6½	142,969 17 6	19 1	

* For higher incomes this figure remains constant at £15.

TABLE X.—INCOME TAX—*continued*.

(3a) Married Couples with one Child—Income all Earned Income.

NOTE.—The Table shows the Tax payable by Married Couples with one Child after deduction of the Married Allowance and Allowance for one Child and Earned Income Relief. The Taxpayer, however, may be entitled to further reliefs which would reduce the tax payable below the amounts shown in the Table.

Total Income.	Year 1939-40.		Year 1940-41.		Year 1941-42.		
	Charge under Pre-War Budget (Finance Act, 1939).		Existing Charge Finance (No. 2) Act, 1940.		Proposed Charge.		
	Income Tax (and Sur-tax if any).	Effec- tive Rate.	Income Tax (and Sur-tax if any).	Effec- tive Rate.	Total Charge.	Effec- tive Rate.	Post-War Credit.
£	£ s. d.	s. d.	£ s. d.	s. d.	£ s. d.	s. d.	£ s. d.
210	—	—	—	—	—	—	—
220	—	—	—	—	2 12 0	— 3	2 12 0
225	—	—	—	—	4 1 3	— 4½	4 1 3
250	—	—	—	—	11 7 6	— 11	11 7 6
300	—	—	7 10 0	— 6	26 0 0	1 9	16 5 0
350	3 6 8	— 2½	17 18 4	1 0½	40 12 6	2 4	17 6 8
400	6 13 4	— 4	28 6 8	1 5	56 2 6	2 9½	19 5 10
500	18 2 6	— 8½	54 14 2	2 2½	101 2 6	4 0½	31 13 4
600	40 2 6	1 4	90 2 6	3 0	146 2 6	4 10½	35 0 0
700	62 2 6	1 9½	125 10 10	3 7	191 2 6	5 5½	38 6 8
800	84 2 6	2 1	160 19 2	4 0½	236 2 6	5 11	41 13 4
900	106 2 6	2 4½	196 7 6	4 4½	281 2 6	6 3	45 0 0
1,000	128 2 6	2 7	231 15 10	4 7½	326 2 6	6 6½	48 6 8
1,250	183 2 6	2 11	320 6 8	5 1½	438 12 6	7 0	56 13 4
1,500	238 2 6	3 2	408 17 6	5 5½	551 2 6	7 4	65 0 0
2,000	375 12 6	3 9	621 7 6	6 2½	801 2 6	8 0	*
2,500	541 17 6	4 4	883 17 6	7 1	1,101 2 6	8 9½	
3,000	715 6 3	4 9	1,152 12 6	7 8	1,407 7 6	9 4½	
4,000	1,105 6 3	5 6½	1,740 2 6	8 8½	2,069 17 6	10 4	
5,000	1,552 16 3	6 2½	2,377 12 6	9 6	2,782 7 6	11 1½	
6,000	2,029 1 3	6 9	3,052 12 6	10 2	3,532 7 6	11 9½	
7,000	2,534 1 3	7 3	3,765 2 6	10 9	4,319 17 6	12 4	
8,000	3,039 1 3	7 7	4,477 12 6	11 2½	5,107 7 6	12 9	
9,000	3,614 1 3	8 0½	5,252 12 6	11 8	5,957 7 6	13 3	
10,000	4,189 1 3	8 4½	6,027 12 6	12 0½	6,807 7 6	13 7½	
15,000	7 214 1 3	9 7½	10,215 2 6	13 7½	11,369 17 6	15 2	
20,000	10,389 1 3	10 4½	14,590 2 6	14 7	16,119 17 6	16 1½	
25,000	13,714 1 3	10 11½	19,090 2 6	15 3½	20,994 17 6	16 9½	
30,000	17,039 1 3	11 4½	23,590 2 6	15 8½	25,869 17 6	17 3	
40,000	23,989 1 3	12 0	32,590 2 6	16 3½	35,619 17 6	17 9½	
50,000	30,939 1 3	12 4½	41,590 2 6	16 7½	45,369 17 6	18 2	
100,000	67,189 1 3	13 5½	86,590 2 6	17 4	94,119 17 6	18 10	
150,000	103,439 1 3	13 9½	131,590 2 6	17 6½	142,869 17 6	19 0½	

* For higher incomes this figure remains constant at £65.

TABLE X.—INCOME TAX—*continued*.

(3b) Married Couples with one Child—Income all Investment Income.

NOTE.—The Table shows the Tax payable by Married Couples with one Child after deduction of the Married Allowance and Allowance for one Child. The Taxpayer, however, may be entitled to further reliefs which would reduce the tax payable below the amounts shown in the Table.

Total Income.	Year 1939-40.		Year 1940-41.		Year 1941-42.		
	Charge under Pre-War Budget (Finance Act, 1939).		Existing Charge (Finance (No. 2) Act, 1940).		Proposed Charge.		
	Income Tax (and Sur-tax if any).	Effec- tive Rate.	Income Tax (and Sur-tax if any).	Effec- tive Rate.	Total Charge.	Effec- tive Rate.	Post-War Credit.
£	£ s. d.	s. d.	£ s. d.	s. d.	£ s. d.	s. d.	£ s. d.
190	—	—	—	—	—	—	—
200	—	—	—	—	3 5 0	0 4	3 5 0
210	—	—	—	—	6 10 0	0 7½	6 10 0
220	—	—	—	—	9 15 0	0 10½	9 15 0
225	—	—	1 5 0	— 1½	11 7 6	1 0	9 15 0
250	— 16 8	— 1	7 10 0	— 7	19 10 0	1 6½	9 15 0
300	5 0 0	— 4	20 0 0	1 4	35 15 0	2 4½	9 15 0
350	9 3 4	— 6½	32 10 0	1 10½	52 0 0	2 11½	9 15 0
400	18 2 6	— 11	47 12 6	2 4½	76 2 6	3 9½	15 0 0
500	45 12 6	1 10	90 2 6	3 7½	126 2 6	5 0½	*
600	73 2 6	2 5	132 12 6	4 5	176 2 6	5 10½	
700	100 12 6	2 10½	175 2 6	5 0	226 2 6	6 5½	
800	128 2 6	3 2½	217 12 6	5 5½	276 2 6	6 11	
900	155 12 6	3 5½	260 2 6	5 9½	326 2 6	7 3	
1,000	183 2 6	3 8	302 12 6	6 0½	376 2 6	7 6½	
1,250	251 17 6	4 0½	408 17 6	6 6½	501 2 6	8 0	
1,500	320 12 6	4 3½	515 2 6	6 10½	626 2 6	8 4	
2,000	458 2 6	4 7	727 12 6	7 3½	876 2 6	8 9	
2,500	624 7 6	5 0	990 2 6	7 11	1,176 2 6	9 5	
3,000	797 16 3	5 4	1,258 17 6	8 4½	1,482 7 6	9 10½	
4,000	1,187 16 3	5 11½	1,846 7 6	9 3	2,144 17 6	10 8½	
5,000	1,635 6 3	6 6½	2,483 17 6	9 11	2,857 7 6	11 5	
6,000	2,111 11 3	7 0½	3,158 17 6	10 6½	3,607 7 6	12 0½	
7,000	2,616 11 3	7 5½	3,871 7 6	11 0½	4,394 17 6	12 6½	
8,000	3,121 11 3	7 9½	4,583 17 6	11 5½	5,182 7 6	12 11½	
9,000	3,696 11 3	8 2½	5,358 17 6	11 11	6,032 7 6	13 5	
10,000	4,271 11 3	8 6½	6,133 17 6	12 3	6,882 7 6	13 9	
15,000	7,296 11 3	9 8½	10,321 7 6	13 9	11,444 17 6	15 3	
20,000	10,471 11 3	10 5½	14,696 7 6	14 8½	16,194 17 6	16 2½	
25,000	13,796 11 3	11 0½	19,196 7 6	15 4½	21,069 17 6	16 10½	
30,000	17,121 11 3	11 5	23,696 7 6	15 9½	25,944 17 6	17 3½	
40,000	24,071 11 3	12 0½	32,696 7 6	16 4	35,694 17 6	17 10	
50,000	31,021 11 3	12 5	41,696 7 6	16 8	45,444 17 6	18 2	
100,000	67,271 11 3	13 5½	86,696 7 6	17 4	94,194 17 6	18 10	
150,000	103,521 11 3	13 9½	131,696 7 6	17 6½	142,944 17 6	19 0½	

* For higher incomes this figure remains constant at £15.

TABLE X.—INCOME TAX—*continued*.

(4a) Married Couples with two Children—Income all Earned Income.

NOTE.—The Table shows the Tax payable by Married Couples with two Children after deduction of the Married Allowance and Allowance for two Children and Earned Income Relief. The Taxpayer, however, may be entitled to further reliefs which would reduce the tax payable below the amounts shown in the Table.

Total Income.	Year 1939-40.		Year 1940-41.		Year 1941-42.		
	Charge under Pre-War Budget (Finance Act, 1939).		Existing Charge (Finance (No. 2) Act, 1940).		Proposed Charge.		
	Income Tax (and Sur-tax if any).	Effec- tive Rate.	Income Tax (and Sur-tax if any).	Effec- tive Rate.	Total Charge.	Effec- tive Rate.	Post-War Credit.
£	£ s. d.	s. d.	£ s. d.	s. d.	£ s. d.	s. d.	£ s. d.
265	—	—	—	—	—	—	—
270	—	—	—	—	19 6	1	19 6
300	—	—	—	—	9 15 0	8	9 15 0
350	—	—	5 8 4	3½	24 7 6	1 4½	17 6 8
400	1 13 4	1	15 16 8	9½	39 0 0	1 11½	18 8 4
500	8 6 8	4	36 13 4	5½	76 2 6	3 0½	28 9 2
600	23 12 6	9½	68 17 6	3½	121 2 6	4 0½	35 0 0
700	45 12 6	1 3½	104 5 10	0	166 2 6	4 9	38 6 8
800	67 12 6	1 8½	139 14 2	6	211 2 6	5 3½	41 13 4
900	89 12 6	2 0	175 2 6	10½	256 2 6	5 8½	45 0 0
1,000	111 12 6	2 3	210 10 10	2½	301 2 6	6 0½	48 6 8
1,250	166 12 6	2 8	299 1 8	9½	413 12 6	6 7½	56 13 4
1,500	221 12 6	2 11½	387 12 6	2	526 2 6	7 0	65 0 0
2,000	359 2 6	3 7	600 2 6	0	776 2 6	7 9	
2,500	525 7 6	4 2½	862 12 6	11	1,076 2 6	8 7½	*
3,000	698 16 3	4 8	1,131 7 6	6½	1,382 7 6	9 2½	
4,000	1,088 16 3	5 5½	1,718 17 6	7	2,044 17 6	10 2½	
5,000	1,536 6 3	6 1½	2,356 7 6	5	2,757 7 6	11 0½	
6,000	2,012 11 3	6 8½	3,031 7 6	1½	3,507 7 6	11 8½	
7,000	2,517 11 3	7 2½	3,743 17 6	8½	4,294 17 6	12 3½	
8,000	3,022 11 3	7 6½	4,456 7 6	1½	5,082 7 6	12 8½	
9,000	3,597 11 3	8 0	5,231 7 6	7½	5,932 7 6	13 2	
10,000	4,172 11 3	8 4	6,006 7 6	0	6,782 7 6	13 7	
15,000	7,197 11 3	9 7	10,193 17 6	7	11,344 17 6	15 1½	
20,000	10,372 11 3	10 4½	14,568 17 6	7	16,094 17 6	16 1	
25,000	13,697 11 3	10 11½	19,068 17 6	3	20,969 17 6	16 9½	
30,000	17,022 11 3	11 4	23,568 17 6	8½	25,844 17 6	17 3	
40,000	23,972 11 3	12 0	32,568 17 6	3½	35,594 17 6	17 9½	
50,000	30,922 11 3	12 4½	41,568 17 6	7½	45,344 17 6	18 1½	
100,000	67,172 11 3	13 5	86,568 17 6	4	94,094 17 6	18 10	
150,000	103,422 11 3	13 9½	131,568 17 6	6½	142,844 17 6	19 0½	

* For higher incomes this figure remains constant at £65.

TABLE X.—INCOME TAX—*continued*.

(4b) Married Couples with two Children—Income all Investment Income.

NOTE.—The Table shows the Tax payable by Married Couples with two Children after deduction of the Married Allowance and Allowance for two Children. The Taxpayer, however, may be entitled to further reliefs which would reduce the tax payable below the amounts shown in the Table.

Total Income.	Year 1939-40.		Year 1940-41.		Year 1941-42.		
	Charge under Pre-War Budget (Finance Act, 1939).		Existing Charge (Finance (No. 2) Act, 1940).		Proposed Charge.		
	Income Tax (and Sur-tax if any).	Effec- tive Rate.	Income Tax (and Sur-tax if any).	Effec- tive Rate.	Total Charge.	Effec- tive Rate.	Post-War Credit.
£	£ s. d.	s. d.	£ s. d.	s. d.	£ s. d.	s. d.	£ s. d.
240	—	—	—	—	—	—	—
250	—	—	—	—	3 5 0	— 3	3 5 0
270	—	—	—	—	9 15 0	— 8½	9 15 0
300	—	—	7 10 0	— 6	19 10 0	1 3½	9 15 0
350	4 3 4	— 3	20 0 0	1 1½	35 15 0	2 0½	9 15 0
400	8 6 8	— 5	32 10 0	1 7½	52 0 0	2 7	9 15 0
500	29 2 6	1 2	68 17 6	2 9	101 2 6	4 0½	15 0 0
600	56 12 6	1 10	111 7 6	3 8½	151 2 6	5 0½	
700	84 2 6	2 5	153 17 6	4 5	201 2 6	5 9	*
800	111 12 6	2 9½	196 7 6	4 11	251 2 6	6 3½	
900	139 2 6	3 1	238 17 6	5 3½	301 2 6	6 8½	
1,000	166 12 6	3 4	281 7 6	5 7½	351 2 6	7 0½	
1,500	235 7 6	3 9	387 12 6	6 2½	476 2 6	7 7½	
1,500	304 2 6	4 0½	493 17 6	6 7	601 2 6	8 0	
2,000	441 12 6	4 5	706 7 6	7 1	851 2 6	8 6	
2,500	607 17 6	4 10½	968 17 6	7 9	1,151 2 6	9 2½	
3,000	781 6 3	5 2½	1,237 12 6	8 3	1,457 7 6	9 8½	
4,000	1,171 6 3	5 10½	1,825 2 6	9 1½	2,119 17 6	10 7	
5,000	1,618 16 3	6 5½	2,462 12 6	9 10	2,832 7 6	11 4	
6,000	2,095 1 3	7 0	3,137 12 6	10 5½	3,582 7 6	11 11½	
7,000	2,600 1 3	7 5	3,850 2 6	11 0	4,369 17 6	12 6	
8,000	3,105 1 3	7 9	4,562 12 6	11 5	5,157 7 6	12 10½	
9,000	3,680 1 3	8 2	5,337 12 6	11 10½	6,007 7 6	13 4	
10,000	4,255 1 3	8 6	6,112 12 6	12 2½	6,857 7 6	13 8½	
15,000	7,280 1 3	9 8½	10,300 2 6	13 9	11,419 17 6	15 2½	
20,000	10,455 1 3	10 5½	14,675 2 6	14 8	16,169 17 6	16 2	
25,000	13,780 1 3	11 0½	19,175 2 6	15 4	21,044 17 6	16 10	
30,000	17,105 1 3	11 5	23,675 2 6	15 9½	25,919 17 6	17 3½	
40,000	24,055 1 3	12 0½	32,675 2 6	16 4	35,669 17 6	17 10	
50,000	31,0 5 1 3	12 5	41,675 2 6	16 8	45,419 17 6	18 2	
100,000	67,255 1 3	13 5½	86,675 2 6	17 4	94,169 17 6	18 10	
150,000	103,505 1 3	13 9½	131,675 2 6	17 6½	142,919 17 6	19 0½	

* For higher incomes this figure remains constant at £15.

TABLE X.—INCOME TAX—*continued*.**(5a) Married Couples with three Children—Income all Earned Income.**

NOTE.—The Table shows the Tax payable by Married Couples with three Children after deduction of the Married Allowance and Allowance for three Children and Earned Income Relief. The Taxpayer, however, may be entitled to further reliefs which would reduce the tax payable below the amounts shown in the Table.

Total Income.	Year 1939-40.		Year 1940-41.		Year 1941-42.		
	Charge under Pre-War Budget (Finance Act, 1939).		Existing Charge (Finance (No. 2) Act, 1940).		Proposed Charge.		
	Income Tax and Sur-tax if any).	Effective Rate.	Income Tax (and Sur-tax if any).	Effective Rate.	Total Charge,	Effective Rate	Post-War Credit.
£	£ s. d.	s. d.	£ s. d.	s. d.	£ s. d.	s. d.	£ s. d.
320	—	—	—	—	—	—	—
325	—	—	—	—	16 3	0½	16 3
350	—	—	—	—	8 2 6	5½	8 2 6
400	—	—	3 6 8	2	22 15 0	1½	18 8 4
500	3 6 8	1½	24 3 4	11½	52 0 0	2 1	20 11 8
600	10 0 0	4	47 12 6	7	96 2 6	3 2½	35 0 0
700	29 2 6	10	83 0 10	4½	141 2 6	4 0½	38 6 8
800	51 2 6	3½	118 9 2	11½	186 2 6	4 8	41 13 4
900	73 2 6	7½	153 17 6	5	231 2 6	5 1½	45 0 0
1,000	95 2 6	11	189 5 10	9½	276 2 6	5 6½	48 6 8
1,250	150 2 6	5	277 16 8	5½	388 12 6	6 2½	56 13 4
1,500	205 2 6	9	366 7 6	10½	501 2 6	6 8	65 0 0
2,000	342 12 6	5	578 17 6	9½	751 2 6	7 6	*
2,500	508 17 6	4 1	841 7 6	9	1,051 2 6	8 5	
3,000	682 6 3	6½	1,110 2 6	5	1,357 7 6	9 0½	
4,000	1,072 6 3	4½	1,697 12 6	6	2,019 17 6	10 1	
5,000	1,519 16 3	1	2,335 2 6	4	2,732 7 6	10 11	
6,000	1,996 1 3	8	3,010 2 6	0½	3,482 7 6	11 7½	
7,000	2,501 1 3	2	3,722 12 6	7½	4,269 17 6	12 2½	
8,000	3,006 1 3	6	4,435 2 6	1	5,057 7 6	12 7½	
9,000	3,581 1 3	11½	5,210 2 6	7	5,907 7 6	13 1½	
10,000	4,156 1 3	3½	5,985 2 6	11½	6,757 7 6	13 6	
15,000	7,181 1 3	7	10,172 12 6	7	11,319 17 6	15 1	
20,000	10,356 1 3	4½	14,547 12 6	6½	16,069 17 6	16 1	
25,000	13,681 1 3	11½	19,047 12 6	3	20,944 17 6	16 9	
30,000	17,006 1 3	4	23,547 12 6	8½	25,819 17 6	17 2½	
40,000	22,956 1 3	0	32,547 12 6	3½	35,569 17 6	17 9½	
50,000	30,906 1 3	4½	41,547 12 6	7½	45,319 17 6	18 1½	
100,000	67,156 1 3	5	86,547 12 6	3½	94,069 17 6	18 10	
150,000	103,4 6 1 3	9½	131,547 12 6	6½	142,819 17 6	19 0½	

* For higher incomes this figure remains constant at £65.

TABLE X.—INCOME TAX—continued.

(5b) Married Couples with three Children—Income all Investment Income.

NOTE.—The Table shows the Tax payable by Married Couples with three Children after deduction of the Married Allowance and Allowance for three Children. The Taxpayer, however, may be entitled to further reliefs which would reduce the tax payable below the amounts shown in the Table.

Total Income.	Year 1939-40.		Year 1940-41.		Year 1941-42.		
	Charge under Pre-War Budget (Finance Act, 1939).		Existing Charge (Finance (No. 2) Act, 1940).		Proposed Charge.		
	Income Tax (and Sur-tax if any).	Effec- tive Rate.	Income Tax (and Sur-tax if any).	Effec- tive Rate.	Total Charge.	Effec- tive Rate.	Post-War Credit.
£	£ s. d.	s. d.	£ s. d.	s. d.	£ s. d.	s. d.	£ s. d.
290	—	—	—	—	—	—	—
300	—	—	—	—	3 5 0	— 2½	3 5 0
320	—	—	—	—	9 15 0	— 7½	9 15 0
350	—	—	7 10 0	— 5	19 10 0	1 1½	9 15 0
400	3 6 8	— 2	20 0 0	1 0	35 15 0	1 9½	9 15 0
500	12 12 6	— 6	47 12 6	1 11	76 2 6	3 0½	15 0 0
600	40 2 6	1 4	90 2 6	3 0	126 2 6	4 2½	*
700	67 12 6	1 11	132 12 6	3 9½	176 2 6	5 0½	
800	95 2 6	2 4½	175 2 6	4 4½	226 2 6	5 8	
900	122 12 6	2 8½	217 12 6	4 10	276 2 6	6 1½	
1,000	150 2 6	3 0	260 2 6	5 2½	326 2 6	6 6½	
1,250	218 17 6	3 6	366 7 6	5 10½	451 2 6	7 2½	
1,500	287 12 6	3 10	472 12 6	6 3½	576 2 6	7 8	
2,000	425 2 6	4 3	685 2 6	6 10	826 2 6	8 3	
2,500	591 7 6	4 9	947 12 6	7 7	1,126 2 6	9 0	
3,000	764 16 3	5 1	1,216 7 6	8 1½	1,432 7 6	9 6½	
4,000	1,154 16 3	5 9½	1,803 17 6	9 0	2,094 17 6	10 5½	
5,000	1,602 6 3	6 5	2,441 7 6	9 9	2,807 7 6	11 3	
6,000	2,078 11 3	6 11	3,116 7 6	10 4½	3,557 7 6	11 10½	
7,000	2,583 11 3	7 4½	3,828 17 6	10 11½	4,344 17 6	12 5	
8,000	3,088 11 3	7 8½	4,541 7 6	11 4	5,132 7 6	12 10	
9,000	3,663 11 3	8 1½	5,316 7 6	11 10	5,982 7 6	13 3½	
10,000	4,238 11 3	8 5½	6,091 7 6	12 2	6,832 7 6	13 8	
15,000	7,263 11 3	9 8	10,278 17 6	13 8½	11,394 17 6	15 2½	
20,000	10,438 11 3	10 5½	14,653 17 6	14 8	16,144 17 6	16 1½	
25,000	13,763 11 3	11 0	19,153 17 6	15 4	21,019 17 6	16 10	
30,000	17,088 11 3	11 4½	23,653 17 6	15 9	25,894 17 6	17 3	
40,000	24,038 11 3	12 0	32,653 17 6	16 4	35,644 17 6	17 10	
50,000	30,988 11 3	12 4½	41,653 17 6	16 8	45,394 17 6	18 2	
100,000	67,238 11 3	13 5½	86,653 17 6	17 4	94,144 17 6	18 10	
150,000	103,488 11 3	13 9½	131,653 17 6	17 6½	142,894 17 6	19 0½	

* For higher incomes this figure remains constant at £15.

TABLE XI.—CUSTOMS AND EXCISE REVENUE under the several heads of Duty.

Head of Duty.							1940-41.		1941-42. Estimated Receipts.
							Budget Estimate as revised July 1940.	Receipts (provisional).	
							£	£	£
Spirits	C	E					6,500,000	11,540,000	11,000,000
							34,000,000	33,997,000	24,000,000
Total Spirits							40,500,000	45,537,000	35,000,000
Beer	C	E					4,950,000	5,605,000	5,800,000
							108,550,000	133,447,000	141,200,000
Total Beer							113,500,000	139,052,000	147,000,000
Wine	C						7,500,000	7,931,000	6,500,000
British Wine	E						1,700,000	1,555,000	1,500,000
Table Waters	C	E					5,000	3,000	2,000
							245,000	220,000	198,000
Total Table Waters							250,000	223,000	200,000
Tea	C						12,000,000	13,430,000	12,000,000
Cocoa	C						1,200,000	1,691,000	1,750,000
Coffee and Chicory	C						150,000	361,000	230,000
Sugar, Molasses, Glucose and Saccharin	C	E					23,400,000	23,536,000	20,000,000
							6,600,000	7,924,000	8,000,000
Total Sugar, &c.							30,000,000	31,460,000	28,000,000
Dried Fruits	C						800,000	589,000	600,000
Tobacco	C	E					156,990,000	172,541,000	182,990,000
							10,000	9,000	10,000
Total Tobacco							157,000,000	172,550,000	183,000,000
Matches and Mechanical Lighters	C	E					4,100,000	1,337,000	200,000
							4,800,000	4,627,000	5,400,000
Total Matches, &c.							8,900,000	5,964,000	5,600,000
Silk and Artificial Silk	C	E					1,500,000	553,000	400,000
							2,500,000	1,682,000	1,400,000
Total Silk, &c.							4,000,000	2,235,000	1,800,000
Oil	C	E					48,000,000	47,223,000	52,000,000
							—	—	—
Total Oil, &c.							48,000,000	47,223,000	52,000,000

TABLE XI.—CUSTOMS AND EXCISE REVENUE under the several heads of Duty—*continued*.

Head of Duty.						1940-41.		1941-42. Estimated Receipts.
						Budget Estimate as revised July 1940.	Receipts (provisional).	
						£	£	£
Entertainments	...	...	...	...	E	9,000,000	8,998,000	10,000,000
Liquor Licences:—								
Duties...	...	...	...	...	E	4,460,000	5,085,000	4,100,000
Monopoly Values	...	...	...	...	E	240,000		160,000
Other Licences...	...	...	...	...	E	470,000		370,000
Medicines, Coffee Mixtures, Playing Cards					E	900,000	861,000	270,000
Hops	...	...	...	...	C	60,000	42,000	50,000
Key Industry Duty	...	...	...	...	C	1,400,000	987,000	1,000,000
Duties under the Import Duties Act, 1932 (including the old "McKenna Duties")					C	30,000,000	14,501,000	12,000,000
Ottawa Duties	...	...	...	...	C	7,000,000	1,807,000	1,000,000
Beef and Veal	...	...	...	...	C	3,200,000	3,500,000	3,000,000
Purchase Tax	...	...	...	...	E	40,000,000	26,219,000	70,000,000
Other Articles and Deposits	...	...	...	...	{ C E	595,000 75,000	147,000 25,000	178,000 52,000
Total Other Articles, &c....	...	...	...	...		670,000	172,000	230,000
Difference between Payments into chequer and Actual Receipts	...	...	...	...	{ C E	— —	— 2,385,000 — 549,000	— —
Total Difference	...	...	...	...		—	— 2,934,000	—
Total Revenue	...	...	Customs	...		309,350,000	304,939,000	310,700,000
			Excise	...		213,550,000	224,100,000	266,660,000
TOTAL	...	...	...	...		522,900,000	529,039,000	577,360,000

TABLE XII.—ESTIMATED EFFECT OF CHANGES IN TAXATION.

INLAND REVENUE.

INCOME TAX—	<i>Estimate</i> 1941–42. £	<i>Estimate in a</i> <i>full year.</i> £
Increase of 1s. 6d. in the standard rate	+ 80,000,000	+ 88,000,000
Increase of 1s. 6d. in the reduced rate	+ 16,000,000	+ 37,000,000
Reduction in the allowance for Earned Income ...	+ 21,000,000	+ 50,000,000
Reduction in the personal allowances to taxpayers and of the exemption limit to £110	+ 33,000,000	+ 75,000,000
Alteration of the basis of assessment of farming profits	+ 1,000,000	+ 3,000,000
	<hr/> + 151,000,000 <hr/>	<hr/> + 253,000,000 <hr/>

EXCESS PROFITS TAX—

The effect of the changes
proposed has been
taken into account in
the estimate of the yield
of the tax

TOTAL INLAND REVENUE	<hr/> + 151,000,000 <hr/>	<hr/> + 253,000,000 <hr/>
----------------------	---------------------------	---------------------------

CUSTOMS AND EXCISE.

EXCISE—

Medicines	— 600,000	— 800,000
Medicines : licence duty...	— 40,000	— 40,000
	<hr/>	<hr/>
Total Excise	— 640,000	— 840,000
	<hr/>	<hr/>
TOTAL	+ 150,360,000	+ 252,160,000
	<hr/>	<hr/>

A.—ORDINARY REVENUE AND EXPENDITURE.

A.—ORDINARY REVENUE AND EXPENDITURE.

* Substantive cost in 1941 to be met from Votes of Credit.
† Excluding value of supplies from the United States of America under the Lease and Lend Act and payments under existing orders in that country.

B.—SELF-BALANCING REVENUE AND EXPENDITURE.

	£
Revenue required to meet Post Office expenditure* (£93,746,000, including Pensions £5,890,000) and Vote for Broadcasting under Class IV of the Civil Estimates (£5,600,000)	99,346,000

* Excluding £4,970,000 estimated to be required from Votes of Credit.