

FINANCIAL STATEMENT (1949-50)

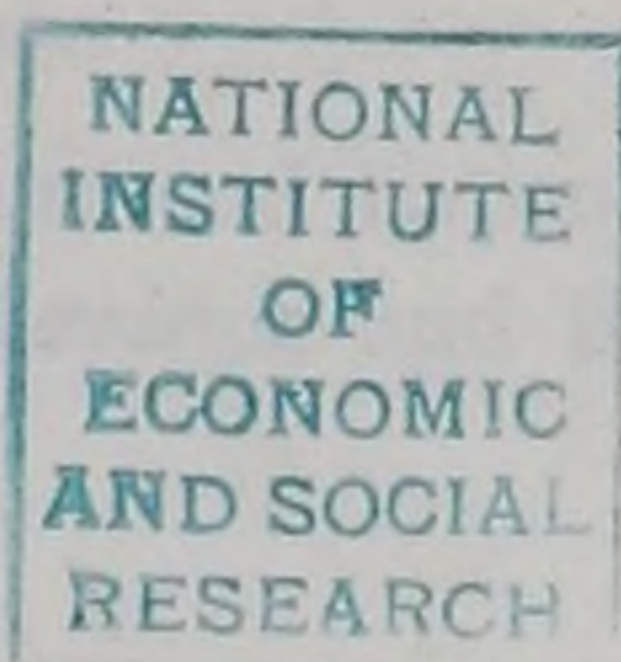
RETURN to an Order of the Honourable The House of Commons
dated 6 April, 1949:—*for*

COPY of “STATEMENT of REVENUE and EXPENDITURE as laid
before the House by the CHANCELLOR OF THE EXCHEQUER
when opening the BUDGET ”

Treasury Chambers,
6 April, 1949 } W. GLENVIL HALL

(Mr. Glenvil Hall)

Ordered by The House of Commons to be Printed
6 April, 1949



LONDON

HIS MAJESTY'S STATIONERY OFFICE

SIXPENCE NET

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1948-49

TABLE I.—Comparison of Exchequer Issues with Estimated Expenditure

1947-48 Exchequer Issues		1948-49			Exchequer Issues
		Total Expenditure provided for in the Budget	Supple- mentary and Excess Votes subsequently granted	Total Estimated Expenditure	
	Ordinary Expenditure				
£000	CONSOLIDATED FUND SERVICES	£000	£000	£000	£000
502,626	Interest and Management of National Debt	500,000	—	500,000	477,176*†
24,314	Payments to Northern Ireland Exchequer	26,000	—	26,000	32,294‡
7,291	Other Consolidated Fund Services	8,000	—	8,000	9,501
534,231	Total	534,000	—	534,000	518,971
	SUPPLY SERVICES				
383,600	Army Votes	305,000	55,000	360,000	346,700
194,300	Navy Votes	153,000	15,500	168,500	162,700
181,900	Air Votes	173,000	16,400	189,400	186,900
94,050	Ministry of Supply (Defence)	61,000	2,000	59,000	56,300
331	Ministry of Defence ...	632	—	632	550
854,181	Total Defence	692,632	84,900	777,532	753,150
1,768,729	Civil Votes (excluding Minis- try of Supply (Defence))	1,708,613	224,309	1,932,922	1,844,815
29,963	Customs and Excise, Inland Revenue and balance of Post Office Votes ...	40,434	150	40,584	35,846
2,652,873	Total Supply Services ...	2,441,679	309,359	2,751,038	2,633,811
3,187,104	Total Ordinary Expenditure	2,975,679	309,359	3,285,038	3,152,782
22,374	Sinking Funds	—	—	—	22,824†
3,209,478		2,975,679	309,359	3,285,038	3,175,606
	Self-Balancing Expenditure				
143,300	Post Office Expenditure cor- responding to Revenue ...	150,200	—	150,200	152,700
23,183	Excess Profits Tax, Post-war refunds (part deducted for tax)	16,000	—	16,000	8,751
166,483	Total Self-Balancing Expen- diture	166,200	—	166,200	161,451

* In addition £19,933,000 for Interest of the National Debt was met from receipts under various Acts authorising such application.

† These two items together make up the total of the Permanent Debt Charge (£500,000,000) as fixed by Section 80 (1) of the Finance Act, 1948.

‡ This item is made up of:—

(1) £29,469,000, being proceeds of reserved taxes in Northern Ireland after deduction of Imperial Contribution and cost of reserved services in Northern Ireland, estimated as follows:—

Gross proceeds of reserved taxes	£000
52,533	
Add under-issue in 1946-47	2,454
Less cost of reserved services	4,018
Less Northern Ireland contribution to Imperial services	21,500

(2) £1,411,000, being issues under the Unemployment and Family Allowances (Northern Ireland Agreement) Act, 1946.

(3) £14,000, being issues under the Disabled Persons Employment Act, 1944.

(4) £1,400,000, being issues under the Social Services (Northern Ireland Agreement) Act, 1949.

1948-49

TABLE II.—Comparison of Exchequer Receipts with Budget Estimate

1947-48 Exchequer Receipts		1948-49		
		Budget Estimate	Exchequer Receipts	+ Increase or — Decrease
£000	Ordinary Revenue	£000	£000	£000
	INLAND REVENUE			
1,189,728	Income Tax	1,309,150	1,367,570	+ 58,420
91,220	Sur-tax	90,000	97,900	+ 7,900
172,029	Death Duties	160,000	177,141	+ 17,141
56,280	Stamps	55,000	56,433	+ 1,433
36,120	Profits Tax	250,000	199,090	+ 28,895
252,568	Excess Profits Tax			
715	Other Inland Revenue Duties	1,000	700	— 300
—	Special Contribution	50,000	79,450	+ 29,450
1,798,660		1,915,150	2,058,089	+ 142,939
	CUSTOMS AND EXCISE			
791,101	Customs	820,600	823,258	+ 2,658
629,700	Excise	726,550	733,500	+ 6,950
1,420,801		1,547,150	1,556,758	+ 9,608
49,108	MOTOR VEHICLE DUTIES ...	50,000	52,716	+ 2,716
3,268,569	TOTAL RECEIPTS FROM TAXES...	3,512,300	3,667,563	+ 155,263
197,231	Sale of Surplus War Stores ...	102,000	99,597	— 2,403
101,261	Surplus Receipts from Certain Trading Services	57,000	28,564	— 28,436
11,200	Broadcast Receiving Licences	11,000	11,700	+ 700
950	Crown Lands	1,000	860	— 140
23,044	Receipts from Sundry Loans	14,000	17,683	+ 3,683
242,604	Miscellaneous	68,000	180,624*	+ 112,624
3,844,859	Total Ordinary Revenue ...	3,765,300	4,006,591	+ 241,291
	Self-Balancing Revenue			
143,300	Post Office Revenue	150,200	152,700	+ 2,500
23,183	Income Tax deducted from Excess Profits Tax, Post-war refunds	16,000	8,751	— 7,249
166,483	Total Self-Balancing Revenue	166,200	161,451	— 4,749

* Viz.:—

	£000
Governments of India and Pakistan—	
Receipt on account of Defence Stores under Agreement of 9th July, 1948 (Cmd. 7472)	100,000
Surplus Appropriations-in-Aid	30,951
Local Loans Fund—	
Interest on Advances under Finance Act, 1935	10,726
Other items	38,947
	<u>180,624</u>

NOTE: *Post-war Credits*.—The total amount of Income Tax post-war credits outstanding at 31st March, 1949, is about £667 millions.

Refund of Excess Profits Tax.—The total amount of Excess Profits Tax post-war refunds outstanding at the same date is about £45 millions gross or £25 millions after deduction of Income Tax.

1948-49
TABLE III.—EXCHEQUER RECEIPTS AND PAYMENTS, 1948-49

Receipts	£000
Ordinary Revenue	4,006,591
Self-Balancing Revenue	161,451
Receipts applicable under various Acts to Interest on the National Debt ...	19,933
Money raised by creation of Debt (Total 511,290):—	
National Savings Certificates	119,000
2½ per cent. Defence Bonds	39,900
3 per cent. Terminable Annuities (National Debt Commissioners) ...	140,000
Other Debt under the National Loans Act, 1939 (net)	209,715*
Ways and Means Advances (net)	2,675
Receipts under the War Risks Insurance Act, 1939 (S. 16 (3))	1,050
Repayments, &c., under:—	
Land Settlement (Facilities) Acts, 1919 and 1921	914
Tithe Act, 1936 (S. 26)	2,529
Overseas Trade Guarantees Act, 1939 (S. 4)	595
Housing (Temporary Accommodation) Act, 1944 (S. 8 (3))	17,604
Housing (Scotland) Act, 1944 (S. 4 (5)) and Housing (Financial Provisions) (Scotland) Act, 1946 (S. 13 (2))	15
Building Materials and Housing Act, 1945 (S. 4 (1))	1,650
Local Authorities Loans Act, 1945 (S. 3 (4))	2,516
Coal Industry Nationalisation Act, 1946 (S. 28 (2))	16,334
Cotton (Centralised Buying) Act, 1947 (S. 21 (3))	58,271
Miscellaneous Financial Provisions Act, 1946 (S. 3 (1)), Civil Contingencies Fund	118,000
Suez Canal Drawn Shares	128
Gift from the Government of Australia	8,000
Receipts under Article 4 (6) of the Economic Co-operation Agreement	107,450
Exchequer Balance on 31st March, 1948	2,830
	5,037,151

* Viz.:—

Internal Debt—

	£000	£000
Bretton Woods Agreement Act, 1945—International Monetary Fund—Interest Free Notes	—	6,350
Bank of England (Treasury Special Account)—Interest Free Notes	6,675	—
Loans Free of Interest	—	3,466
Government of India—Agreement of 26th September, 1942	—	2,606
Financial Agreement of 9th July, 1948 (Cmd. 7472)	161,960	—
Government of Pakistan—do. (Cmd. 7479)	7,845	—
Miscellaneous	—	1,705

External Debt—

United States—Government Loan under Agreement of 6th December, 1945 (Cmd. 6708)	—	827
Loan from the Reconstruction Finance Corporation	—	8,879
E.C.A. Loan under Agreements of 26th October, 1948, and 16th February, 1949 (Cmds. 7550 and 7636)	68,376	—
Government of Canada—Loan under Financial Agreement of 6th March, 1946 (Cmd. 6904)	6,700	—
Loan Free of Interest	—	7,317
Government of Union of South Africa	—	10,005
Miscellaneous	—	686

251,556	41,841
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£209,715

1948-49

TABLE III.—EXCHEQUER RECEIPTS AND PAYMENTS 1948-49—*continued*

	Payments	£000
Ordinary Expenditure		3,152,782
Sinking Funds		22,824*
Self-Balancing Expenditure		161,451
Interest outside the Permanent Debt Charge—Issues under various Acts ...		19,933†
Issues for Redemption of Debt (Total 971,606):—		
National Savings Certificates (Principal only)		125,550
2½ per cent. Defence Bonds		18,942
3 per cent. Defence Bonds		79,528
3 per cent. Conversion Loan, 1948-53		1,350
2½ per cent. Terminable Annuities (National Debt Commissioners) ...		5,913
3 per cent. Terminable Annuities (National Debt Commissioners) ...		28,167
Tax Reserve Certificates (net)		69,580
Treasury Deposits by Banks (net)		155,500
Treasury Bills (net)		487,076
Excess Profits Tax, Post-war refunds (balance after deduction of tax) ...		10,695
Issue to National Debt Commissioners:—		
Suez Canal Drawn Shares		128
Issues under the following Acts:—		
Tithe Act, 1936—Temporary advances to Redemption Annuities Account ...		2,505
Overseas Trade Guarantees Act, 1939, and Export Guarantees Act, 1949—		
Acquisition of Guaranteed Securities		1,501
Housing (Temporary Accommodation) Acts, 1944 and 1947—Provision of		
temporary houses		8,400
Housing (Scotland) Act, 1944, and Housing (Financial Provisions) (Scotland)		
Act, 1946—Advances to Scottish Special Housing Association ...		5,831
Local Authorities Loans Act, 1945—Issues to Local Loans Fund for loans		
to Local Authorities		233,850
New Towns Act, 1946—Capital advances to Development Corporations ...		846
Coal Industry Nationalisation Act, 1946—Advances to National Coal Board		
for working capital, &c.		33,000
Cotton (Centralised Buying) Act, 1947—Advances to Raw Cotton		
Commission for working balances and for reserve fund		99,000
Overseas Resources Development Act, 1948—		
For Capital Account of Colonial Development Corporation		1,070
For Capital Account of Overseas Food Corporation		14,200
Miscellaneous Financial Provisions Act, 1946—		
War Damage Payments—Board of Trade		7,800
War Damage Payments—War Damage Commission		122,000
Civil Contingencies Fund—Temporary increase of capital		145,000
Finance Acts, 1946 and 1947—Repayment of Post-war Credits		19,001
Finance Act, 1935—Redemption of 3 per cent. Local Loans Stock ...		100
Exchequer Balance on 31st March, 1949		3,628
		5,037,151

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

	£000
Specific Sinking Funds:—	
Capital of Terminable Annuities	1,051
4 per cent. Funding Loan Sinking Fund	6,309
3 per cent. Funding Loan Sinking Fund	5,263
Victory Bonds Sinking Fund	5,498
Balance issued to National Debt Commissioners to redeem debt	4,703
Total	22,824

† This amount was met from receipts under various Acts authorising such application.

TABLE IV
NATIONAL DEBT

	31st March, 1948	31st March, 1949 (approximate totals)
	£000	£000
2½% Consols, &c.	313,115	313,091
4% Consols, 1957 or after	398,399	397,236
2¾% Funding Loan, 1952-57	100,560	100,560
2½% Funding Loan, 1956-61	200,210	200,210
3% Funding Loan, 1959-69	348,589	343,479
4% Funding Loan, 1960-90	303,675	298,133
3% Conversion Loan, 1948-53	1,350	—
3½% Conversion Loan, 1961 or after	739,256	739,253
3% National Defence Loan, 1954-58	320,820	320,820
3½% War Loan, 1952 or after	1,910,897	1,910,892
3% War Loan, 1955-59	302,519	302,519
2½% National War Bonds, 1949-51	714,181	714,181
2½% National War Bonds, 1951-53	522,302	522,302
2½% National War Bonds, 1952-54	809,683	809,682
2½% National War Bonds, 1954-56	426,107	426,107
3% Savings Bonds, 1955-65	712,692	712,684
3% Savings Bonds, 1960-70	1,009,029	1,024,704
3% Savings Bonds, 1965-75	1,057,388	1,073,150
2½% Savings Bonds, 1964-67	752,550	752,550
1¾% Exchequer Bonds, 1950	786,627	786,627
3% Treasury Stock, 1966 or after	58,212	58,212
2½% Treasury Stock, 1975 or after	482,105	482,105
2½% Treasury Stock, 1980-2016	78,457	78,457
4% Victory Bonds (repayable by annual drawings ending 1976)	269,710	264,320
Terminable Annuities	12,952	12,817
3% Terminable Annuities*	1,067,413	1,179,245
2½% Terminable Annuities*	239,178	233,265
3% Defence Bonds	791,696	671,354
2½% Defence Bonds	241,669	304,214
National Savings Certificates	1,741,521†	1,735,884
Tax Reserve Certificates	426,416	356,837
Other Debt:		
International Monetary Fund—Interest Free Notes	310,975	304,625
International Bank for Reconstruction and Development—Interest Free Notes	57,475	57,475
Bank of England (Treasury Special Account)—Interest Free Notes	—	6,675
Government of India... ..	14,947	174,301
Government of Pakistan	—	7,845
Government of Portugal	61,195	61,195
Miscellaneous	41,703	36,032
Treasury Deposit Receipts	1,291,000	1,135,500
Treasury Bills	4,910,170	4,418,380
Ways and Means Advances	340,810	343,485
	<u>24,167,553</u>	<u>23,670,403</u>
Deduct:		
Victory Bonds, &c., purchased by National Debt Commissioners, but not yet cancelled	101,625	99,592
Total Internal Debt (net)	<u>24,065,928</u>	<u>23,570,811</u>
External Debt:		
United States—Government Loan	1,089,646	1,081,981
E.C.A. Loan	—	68,376
Loan from Reconstruction Finance Corporation	42,198	34,548
Canadian Government Loans	324,614	324,687
Government of Union of South Africa	79,997	69,992
Other Debt (payable in external currency)	18,379	17,697
Total External Debt	<u>1,554,834</u>	<u>1,597,281</u>
Total National Debt (net)	<u>25,620,762</u>	<u>25,168,092</u>

* Issued to National Debt Commissioners.

† Shown at issue price, exclusive of accrued interest amounting to £362½ millions (approximately).

TABLE V.—Central and Local Government Expenditure

Year (1)	Expenditure by Central Government			Non-grant-aided Expenditure by Local Authorities § (5)
	Ordinary Expenditure * (2)	Issues under Defence Loans Acts, 1937 and 1939 (3)	Total of Columns 2 and 3 (4)	
	£000	£000	£000	£000
1938-39	941,381	128,050	1,069,431	212,578
1939-40	1,275,756	491,750	1,767,506	223,536
1940-41	3,818,719	—	3,818,719	226,267
1941-42	4,839,849	—	4,839,849	220,968
1942-43	5,433,296	—	5,433,296	222,496
1943-44	5,797,498	—	5,797,498	226,320
1944-45	6,036,815	—	6,036,815	230,940†
1945-46	5,648,652	—	5,648,652	248,908†
1946-47	3,836,287	—	3,836,287	271,265†
1947-48	3,209,478‡	—	3,209,478	308,397†
1948-49	3,175,606‡	—	3,175,606	¶295,289†

* Including Sinking Fund payments when met from the Permanent Debt Charge.

† Estimated.

‡ Exchequer Issues.

§ As measured by rates collected.

¶ Viz., England and Wales £267,000,000, Scotland £28,289,000.

1949-50

TABLE VI.—Comparison of Estimated EXPENDITURE under Budget heads

Service	Budget Estimate 1948-49	Estimate 1949-50	+ Increase or - Decrease
	£000	£000	£000
Ordinary Expenditure			
CONSOLIDATED FUND SERVICES			
Debt Charge	500,000	485,000	- 15,000
Payments to Northern Ireland Exchequer	26,000	30,000	+ 4,000
Other Consolidated Fund Services ...	8,000	12,000	+ 4,000
TOTAL	534,000	527,000	- 7,000
SUPPLY SERVICES			
Army Votes	305,000	304,700	- 300
Navy Votes	153,000	189,250	+ 36,250
Air Votes	173,000	207,450	+ 34,450
Ministry of Defence	632	713	+ 81
Ministry of Supply (Defence)	61,000	57,750	- 3,250
Total Defence	692,632	759,863	+ 67,231
Civil Votes (excluding Ministry of Supply (Defence))	1,708,613	1,982,876	+ 274,263
Customs and Excise, Inland Revenue and balance of Post Office Votes	40,434	41,659	+ 1,225
TOTAL SUPPLY SERVICES	2,441,679	2,784,398	+ 342,719
Total Ordinary Expenditure ...	2,975,679	3,311,398	+ 335,719
Self-Balancing Expenditure			
Post Office Expenditure corresponding to Revenue	150,200	156,600	+ 6,400
Excess Profits Tax Post-war refunds (part deducted for tax)	16,000	5,700	- 10,300
Total Self-Balancing Expenditure ...	166,200	162,300	- 3,900

1949-50

TABLE VII.—Classified Statement of Estimated EXPENDITURE

	1948-49		1949-50		+ Increase or - Decrease
	£000	£000	£000	£000	
1. PERMANENT DEBT CHARGE ... ..	...	500,000	...	485,000	- 15,000
2. DEFENCE AND SUPPLY DEPART- MENTS:—					
Navy	153,000		189,250		
Army	305,000		304,700		
Air	173,000		207,450		
Ministry of Supply (defence expenditure)	61,000		57,750		
Ministry of Defence	632		713		
		692,632		759,863	+ 67,231
3. ASSISTANCE TO LOCAL SERVICES (<i>For details see Table VII (a)</i>) ... ..	...	407,932	...	443,532	+ 35,600
4. NATIONAL SERVICES (HEALTH, INSURANCE, PENSIONS, &c.) (<i>For details see Table VII (b)</i>) ... ..	...	496,370	...	628,146	+ 131,776
5. TAX COLLECTION:—					
Customs and Excise	8,317		9,003		
Inland Revenue	20,713		21,701		
		29,030		30,704	+ 1,674
6. POST OFFICE (excess over Revenue)	...	10,877	...	10,391	- 486
7. OTHER NATIONAL SERVICES:—					
General (<i>For details see Table VII (c)</i>) ... ..	...	702,777	...	835,799	+ 133,022
Terminal or temporary services arising out of the war (<i>For details see Table VII (d)</i>) ... ..	...	136,061	...	117,963	- 18,098
Total Ordinary Expenditure		2,975,679		3,311,398	+ 335,719
8. SELF-BALANCING SERVICE:—					
Post Office Expenditure corresponding to Revenue		150,200		156,600	+ 6,400
Excess Profits Tax, Post-war refunds (part deducted for tax)		16,000		5,700	- 10,300
TOTAL SELF-BALANCING EXPENDITURE		166,200		162,300	- 3,900

1949-50

TABLE VII (a).—ASSISTANCE TO LOCAL SERVICES

	1948-49	1949-50	+ Increase or - Decrease
	£000	£000	£000
(a) General Grant for Local Services:—			
Exchequer Contributions to Local Revenues ...	56,717	57,170	+ 453
(b) Specific Services (in addition to provision included in the first item above):—			
Education and Physical Training (including Teachers' Pensions)*	198,139	225,302	+ 27,163
Health Services	12,495	14,054	+ 1,559
Housing†:—			
(i) Permanent Housing	37,833	34,910	- 2,923
(ii) Temporary Housing	20,897	21,468	+ 571
(iii) Emergency Housing and Miscellaneous Services	11,274	9,872	- 1,402
Police	23,010	25,640	+ 2,630
Fire Services	3,852	4,936	+ 1,084
Roads (including Trunk Roads)	23,502	26,015	+ 2,513
Development Areas	13,432	14,224	+ 792
Child Care	3,861	6,251	+ 2,390
Miscellaneous	2,920	3,690	+ 770
TOTAL	407,932	443,532	+ 35,600

* This item includes cost of administration.

† Amounts of £795,000 for administration and £308,000 for research and development expenditure in connection with Housing are included in Table VII (c).

TABLE VII (b).—NATIONAL SERVICES (HEALTH, INSURANCE, PENSIONS, &c.)

	1948-49	1949-50	+ Increase or - Decrease
	£000	£000	£000
National Health Service	145,592	249,302	+ 103,710
Contributions to National Insurance and Pensions Schemes:—			
Health Insurance Funds	4,208	—	- 4,208
Unemployment Fund	7,750	—	- 7,750
Contributory Pensions Accounts	31,885	—	- 31,885
National Insurance Fund	97,500	141,000	+ 43,500
National Insurance (Industrial Injuries) Fund ...	4,000	6,000	+ 2,000
National Assistance, &c.	30,123	55,650	+ 25,527
Old Age Pensions (non-contributory)	28,235	27,675	- 560
Family Allowances	59,494	60,236	+ 742
War Pensions (including Mercantile Marine and Civilians)*	87,583	88,283	+ 700
TOTAL	496,370	628,146	+ 131,776

* This item includes cost of administration.

1949-50

TABLE VII (c).—OTHER NATIONAL SERVICES (GENERAL)

	1948-49	1949-50	+ Increase or - Decrease
	£000	£000	£000
Agriculture and Fisheries (including Food Production)*	69,893	67,221	- 2,672
Food Services (other than Food Production)*	320,191	409,517	+ 89,326
Broadcasting	13,547	13,996	+ 449
Civil Aviation*	26,315	22,554	- 3,761
Civil Superannuation, &c. (other than Defence and Revenue Departments)	5,415	5,647	+ 232
Colonial Development and Welfare	4,288	6,704	+ 2,416
Employment, Transference, Training and Resettlement ...	16,874	17,235	+ 361
Foreign and Imperial Services*	32,440	41,196	+ 8,756
Forestry*	4,906	5,756	+ 850
Irish Services	33,718	37,782	+ 4,064
Ministry of Supply (civil expenditure)*	25,650	42,757	+ 17,107
Museums, Galleries, &c.*	1,862	2,075	+ 213
Prisons, &c.*	4,504	5,416	+ 912
Research and Development†	8,284	11,493	+ 3,209
Trade*	7,590	8,633	+ 1,043
Transport Services (other than Roads)*	4,398	4,227	- 171
Works, Buildings, Stationery and Information Services*	75,904	79,145	+ 3,241
Miscellaneous (including General Administration) ...	46,998	54,445	+ 7,447
TOTAL	702,777	835,799	+ 133,022

* These items include cost of administration.

† Excluding Ministry of Supply and Defence Departments' expenditure.

TABLE VII (d).—TERMINAL OR TEMPORARY SERVICES ARISING OUT OF THE WAR† ‡

	1948-49	1949-50	+ Increase or - Decrease
	£000	£000	£000
Advances to Allies, &c.	27,000	10,000	- 17,000
Board of Trade Commodity, &c., Services	3,238	2,791	- 447
Civil Defence and National Fire Service	9,080	5,406	- 3,674
Foreign Office (German Section)*	31,796	30,802	- 994
Emergency Hospital and Medical Services	8,271	2,123	- 6,148
Foreign and Imperial Services	629	7,138	+ 6,509
Fuel and Power Services	2,875	2,500	- 375
Ministry of Supply, Commodity and Miscellaneous Terminal Services	14,350	20,785	+ 6,435
Shipping and Inland Transport Services	33,031	28,717	- 4,314
Miscellaneous	5,791	7,701	+ 1,910
TOTAL	136,061	117,963	- 18,098

* This item includes cost of administration.

† The allocation of items between this and the preceding Tables is necessarily to some extent arbitrary.

‡ Excluding terminal charges of the Defence and Supply Departments, estimated at £60,510,000, for 1948-49, and of the Defence Departments, estimated at £13,260,000, for 1949-50. (See Cmd. 7631.)

1949-50

TABLE VIII.—Comparison of Estimated RECEIPTS from Revenue in 1949-50 with corresponding Receipts in 1948-49

On the basis of existing Taxation

	Receipts in 1948-49	Estimate for 1949-50 on basis of existing Taxation	+ Increase or - Decrease
	£000	£000	£000
Ordinary Revenue:			
INLAND REVENUE			
Income Tax	1,367,570	1,480,000	+ 112,430
Sur-tax	97,900	105,000	+ 7,100
Death Duties	177,141	165,000	- 12,141
Stamps	56,433	50,000	- 6,433
Profits Tax	199,090	240,000	- 38,895
Excess Profits Tax	79,805		
Other Inland Revenue Duties	700	1,000	+ 300
Special Contribution	79,450	25,000	- 54,450
	2,058,089	2,066,000	+ 7,911
CUSTOMS AND EXCISE			
Customs	823,258	856,000	+ 32,742
Excise	733,500	679,000	- 54,500
	1,556,758	1,535,000	- 21,758
MOTOR VEHICLE DUTIES	52,716	54,000	+ 1,284
TOTAL RECEIPTS FROM TAXES	3,667,563	3,655,000	- 12,563
Sale of Surplus War Stores, &c.	99,597	44,000	- 55,597
Surplus Receipts from certain Trading Services	28,564	18,000	- 10,564
Broadcast Receiving Licences	11,700	12,000	+ 300
Crown Lands	860	1,000	+ 140
Receipts from Sundry Loans	17,683	20,000	+ 2,317
Miscellaneous	180,624	50,000	- 130,624
Total Ordinary Revenue	4,006,591	3,800,000	- 206,591
Self-Balancing Revenue:			
Post Office Revenue	152,700	156,600	+ 3,900
Income Tax deducted from Excess Profits Tax, Post-war refunds	8,751	5,700	- 3,051
Total Self-Balancing Revenue	161,451	162,300	+ 849

TABLE IX.—PROPOSED CHANGES IN TAXATION

INLAND REVENUE

INCOME TAX

It is proposed to exempt unemployment, sickness and maternity benefits and to provide that relief shall not be allowed in respect of the corresponding part of the National Insurance Contribution.

INCOME TAX AND PROFITS TAX

It is proposed to increase the Initial Allowance in respect of machinery or plant purchased on or after 6th April, 1949, from 20 per cent. to 40 per cent.

It is proposed to institute a system of depletion allowances for United Kingdom mining concerns in respect of capital expenditure on rights to work overseas mineral deposits including oil deposits.

SUR-TAX AND PROFITS TAX

It is proposed to allow Lloyds Underwriters to deduct for Sur-tax purposes certain sums paid under approved Schemes to Trust Funds to meet future losses and to charge those who join such Schemes to Profits Tax.

DEATH DUTIES

It is proposed to consolidate the existing Estate Duty, Legacy Duty and Succession Duty into a single Duty by abolishing the Legacy and Succession Duties and compensating the Exchequer by an increase in the rates of the Estate Duty.

It is also proposed to make a further increase in the Estate Duty scale to produce an additional £20 millions of new revenue.

Tables showing the present rates of Estate Duty, Legacy Duty and Succession Duty and the proposed new Estate Duty scale appear on page 23.

It is proposed to substitute for the existing relief in respect of the agricultural value of agricultural property a new relief in the form of an abatement of 45 per cent. of the duty chargeable.

It is proposed to raise the exemption limit for out and out gifts *inter vivos* from £100 to £500.

It is proposed that these changes shall take effect in the case of deaths after the passing of the Finance Bill.

TABLE IX.—PROPOSED CHANGES IN TAXATION—*continued*INLAND REVENUE—*continued*

LAND TAX

It is proposed that Land Tax shall be redeemed compulsorily when property charged changes hands on or after 1st April, 1950.

Where the charge is less than 10s., it is proposed to abolish the tax with effect from the current year.

Where property charged changes hands on death but forms part of an estate below the Estate Duty exemption limit of £2,000, it is proposed to remit the redemption money.

STAMP DUTIES

It is proposed to abolish various stamp duties which have become obsolete or archaic, and a number of others which are imposed on certain legal and commercial documents where the yield of duty is small. These repeals will operate as from the date when the Finance Bill becomes law.

It is proposed to abolish the stamp duty on bonus issues of securities made after the date of the Budget Statement.

TABLE IX.—PROPOSED CHANGES IN TAXATION—*continued*

CUSTOMS AND EXCISE

CUSTOMS

Tea.—It is proposed to repeal the duty of 6*d.* a lb. on Empire tea, and to reduce the duty of 8*d.* a lb. on non-Empire tea to 2*d.* a lb., from 7th April, 1949.

Beer.—It is proposed to reduce the Customs duties on imported beer (other than black beer, &c.), by £1 1*s.* per barrel of 36 gallons, irrespective of the gravity, from 7th April, 1949.

Wines.—It is proposed to reduce the Customs duties on still light wines, imported otherwise than in bottle, by 12*s.* a gallon. This change will apply, from 7th April, 1949, to wines not exceeding a strength of 27 degrees proof spirit in the case of Empire products, and not exceeding 25 degrees in the case of non-Empire products.

Sugar, &c.—It is proposed to reduce the Customs duties on imported sugar, molasses and glucose, from 5 p.m. on 6th April, 1949. The proposed duties, compared with the existing duties, are given in the following table:—

	Existing duties			Proposed duties		
	Full	Preferential		Full	Preferential	
		General	Certificated		General	Certificated
	<i>s.</i> <i>d.</i> per cwt.	<i>s.</i> <i>d.</i> per cwt.	<i>s.</i> <i>d.</i> per cwt.	<i>s.</i> <i>d.</i> per cwt.	<i>s.</i> <i>d.</i> per cwt.	<i>s.</i> <i>d.</i> per cwt.
<i>Sugar</i> —						
Exceeding 99° polarisation	23 4·0	17 6·0	14 0·7	11 8	5 10	2 4·7
„ 98° but n.e. 99°	23 4·0	15 9·2	12 6·3	11 8	4 9·2	1 6·3
„ 97° „ „ 98°	19 3·8	15 4·5	12 2·6	8 7·0	4 7·7	1 5·8
„ 96° „ „ 97°	18 9·7	14 11·7	11 10·7	8 4·3	4 6·3	1 5·3
„ 95° „ „ 96°	18 3·7	14 6·9	11 6·9	8 1·6	4 4·8	1 4·8
and proportionately down to—						
not exceeding 76° ...	10 0·9	8 0·3	6 4·5	4 6·0	2 5½	0 9·6
<i>Molasses</i> —						
Containing 70 per cent. or more of sweetening matter ...	14 9½	11 1	...	7 5	3 8½	...
Less than 70 per cent. but more than 50 per cent.	10 7½	7 11½	...	5 4	2 8	...
50 per cent. or less ...	5 2½	3 11	...	2 7	1 3½	...
<i>Glucose</i> —						
Solid ...	14 9½	11 1	...	7 5	3 8½	...
Liquid ...	10 7½	7 11½	...	5 4	2 8	...

TABLE IX.—PROPOSED CHANGES IN TAXATION—*continued*CUSTOMS AND EXCISE—*continued*CUSTOMS—*continued*

Matches and Mechanical Lighters.—It is proposed to increase the Customs duties on imported matches and mechanical lighters, from 7th April, 1949. The proposed rates, compared with the existing rates, are shown in the following table:—

	Existing duties		Proposed duties	
	<i>s.</i>	<i>d.</i>	<i>s.</i>	<i>d.</i>
<i>Matches—</i>				
Containers with not more than 10 matches per 1,000 containers ...	12	9	19	11
11 to 20 matches " " " ...	38	3	39	10
21 to 30 matches " " " ...			59	9
31 to 50 matches per gross containers ...	9	0	14	5
For every additional 5 matches or part of 5 " " " ...		11	1	5½
<i>Mechanical Lighters and component parts other than flints—</i>				
Domestic gas lighters and parts ...	3	6	5	0
Other lighters and parts ...			7	0

TABLE IX.—PROPOSED CHANGES IN TAXATION—*continued*CUSTOMS AND EXCISE—*continued*

EXCISE

Beer.—It is proposed to reduce the Excise duty on beer (other than black beer, &c.) by £1 1s. per barrel of 36 gallons, irrespective of the gravity, from 7th April, 1949.

Sweets (British wines, &c.).—It is proposed to reduce the Excise duty on certain sweets (British wines, &c.) by 12s. a gallon. The reduction will apply, from 7th April, 1949, to sweets (other than sparkling sweets) of a strength not exceeding 27 degrees of proof spirit.

Sugar, &c.—It is proposed to reduce the Excise duties on sugar, molasses and glucose, from 5 p.m. on 6th April, 1949. The proposed duties and the existing duties are given in the following table:—

		Existing duties		Proposed duties	
		<i>s.</i>	<i>d.</i>	<i>s.</i>	<i>d.</i>
		per cwt.		per cwt.	
<i>Sugar—</i>					
Exceeding 99° polarisation ...	...	16	3·0	4	7·0
„ 98° but not exceeding 99°	...	14	7·1	3	7·1
„ 97° „ „ „ 98°	...	14	2·8	3	6·0
„ 96° „ „ „ 97°	...	13	10·3	3	4·9
„ 95° „ „ „ 96°	...	13	5·9	3	3·8
and proportionately down to—					
not exceeding 76°	...	7	5·1	1	10·2
<i>Molasses—</i>					
Containing 70 per cent. or more sweetening matter		10	3½	2	11
Less than 70 per cent. but more than 50 per cent.		7	5	2	1½
50 per cent. or less	...	3	7½	1	0½
<i>Glucose—</i>					
Solid	...	10	3½	2	11
Liquid	...	7	5	2	1½

TABLE IX.—PROPOSED CHANGES IN TAXATION—*continued*CUSTOMS AND EXCISE—*continued*EXCISE—*continued*

Matches and Mechanical Lighters.—It is proposed to increase the Excise duties on matches and mechanical lighters, from 7th April, 1949. The existing duties and proposed duties are shown in the following table:—

					Existing duties		Proposed duties			
					<i>s.</i>	<i>d.</i>	<i>s.</i>	<i>d.</i>		
<i>Matches—</i>										
Containers with not more than 10 matches	per 1,000 containers	...			12	0	19	2		
11 to 20 matches	" " "	...	}	36	0	}	38	4		
21 to 30 matches	" " "	...					57	6		
31 to 50 matches	per gross containers	...		8	4		13	9		
For every additional 5 matches or part of 5	" " "	...			10		1	4½		
<i>Mechanical Lighters—</i>										
Domestic gas lighters	}	2	6	}	4	0
Other lighters					6	0

Entertainments (Rural Areas).—It is proposed to extend the scope of the exemption from duty at present granted for certain entertainments held in rural areas, including Boroughs, Urban Districts, Rural Parishes, &c., with a population not exceeding 64 to the square mile. Subject to the same conditions, the exemption will apply, from 1st May, 1949, to such areas with a population not exceeding 640 to the square mile.

Betting.—It is proposed to increase the duty on football pool betting, and other forms of pool betting which are at present subject to the rate of 20 per cent., to 30 per cent., for events taking place on or after 9th April, 1949.

Licence Duties.—It is proposed to abolish the duties on excise licences for appraisers, auctioneers, house agents and dealers in plate, after 5th July, 1949.

TABLE X.—CHANGES IN POST OFFICE CHARGES

A.—POSTAGE, &C.

(1) *Inland Registered Postal Packets*

Description of Charge	Existing Charges	Proposed Charges	Date of Change
<i>Registration Fee</i> (in addition to ordinary postage)	3 <i>d.</i> then by 1 <i>d.</i> steps to maximum of 1 <i>s.</i> 11 <i>d.</i>	4 <i>d.</i> then by 1 <i>d.</i> steps to maximum of ... 2 <i>s.</i>	1st May, 1949

(2) *Commonwealth and Foreign Post*

Description of Postal Packet	Existing Charges	Proposed Charges	Date of Change
<i>Printed Packets</i> ...	2 oz. (or less) ... $\frac{1}{2}$ <i>d.</i> For every additional 2 oz. or part thereof $\frac{1}{2}$ <i>d.</i>	2 oz. (or less) ... 1 <i>d.</i> For every additional 2 oz. or part thereof $\frac{1}{2}$ <i>d.</i>	1st May, 1949
<i>Commercial Packets</i>	12 oz. (or less) ... 3 <i>d.</i> For every additional 2 oz. or part thereof $\frac{1}{2}$ <i>d.</i>	10 oz. (or less) ... 3 <i>d.</i> For every additional 2 oz. or part thereof $\frac{1}{2}$ <i>d.</i>	1st May, 1949
<i>Sample Packets</i> ...	4 oz. (or less) ... 1 <i>d.</i> For every additional 2 oz. or part thereof $\frac{1}{2}$ <i>d.</i>	2 oz. (or less) ... 1 <i>d.</i> For every additional 2 oz. or part thereof $\frac{1}{2}$ <i>d.</i>	1st May, 1949
<i>Registered Postal Packets</i>	Registration fee (in addition to ordinary postage) 3 <i>d.</i>	Registration fee (in addition to ordinary postage) 4 <i>d.</i>	1st May, 1949

TABLE X.—CHANGES IN POST OFFICE CHARGES—*continued*

B.—TELEPHONE SERVICES

	Existing Charges	Proposed Charges	Date
<i>Exchange Subscribers' Rentals and Miscellaneous Charges</i>	Various plus 15%	Various plus 33 $\frac{1}{3}$ %	1st October, 1949, or on expiry of initial term of existing agree- ments, if later.
<i>Exchange Subscribers' Local Call Charges— In Great Britain and Northern Ireland</i>	Up to 5 miles 1d. 5 to 7 $\frac{1}{2}$ miles 2d. 7 $\frac{1}{2}$ to 12 $\frac{1}{2}$ miles 3d. 12 $\frac{1}{2}$ to 15 miles 4d. } Plus 15%	1 $\frac{1}{2}$ d. 3d. 4 $\frac{1}{2}$ d. 6d.	Calls made after the date of the meter reading towards the end of June 1949.
<i>Calls by Users of Call Offices— In Great Britain and Northern Ireland</i>	Up to 12 $\frac{1}{2}$ miles 12 $\frac{1}{2}$ to 15 miles ... 7d.	No change 8d.	1st July, 1949

NOTE.—Corresponding alterations will be made in other tariffs for local calls.

C.—PRIVATE TELEGRAPH AND TELEPHONE SERVICES

	Existing Charges	Proposed Charges	Date
<i>Private Circuits, Apparatus, &c.</i>	Various plus 25%	Various plus 33 $\frac{1}{3}$ %	1st October, 1949, or on expiry of initial term of existing agree- ments, if later.

TABLE XI.—SHOWING THE EXISTING RATES OF ESTATE DUTY AND THE RATES OF ESTATE DUTY NOW PROPOSED

Present Estate Duty Scale			Estate Duty Scale proposed		
Net Capital Value of total estate		Rate per cent. of Duty	Net Capital Value of total estate		Rate per cent. of Duty
Exceeding £	Not exceeding £		Exceeding £	Not exceeding £	
—	2,000	Nil	—	2,000	Nil
2,000	3,000	1	2,000	3,000	1
3,000	5,000	2	3,000	5,000	2
5,000	7,500	3	5,000	7,500	3
7,500	10,000	4	7,500	10,000	4
10,000	12,500	6	10,000	12,500	6
12,500	15,000	8	12,500	15,000	8
15,000	20,000	10	15,000	17,500	10
			17,500	20,000	12
20,000	25,000	12	20,000	25,000	15
25,000	30,000	14	25,000	30,000	18
30,000	35,000	16	30,000	35,000	21
35,000	40,000	18	35,000	40,000	24
40,000	45,000	20	40,000	45,000	28
45,000	50,000	22	45,000	50,000	31
50,000	60,000	24	50,000	60,000	35
60,000	75,000	27	60,000	75,000	40
75,000	100,000	30	75,000	100,000	45
100,000	150,000	35	100,000	150,000	50
150,000	200,000	40	150,000	200,000	55
200,000	250,000	45	200,000	300,000	60
250,000	300,000	50			
300,000	500,000	55	300,000	500,000	65
500,000	750,000	60	500,000	750,000	70
750,000	1,000,000	65	750,000	1,000,000	75
1,000,000	2,000,000	70	1,000,000		80
2,000,000		75			

NOTE:—The rates of the Legacy and Succession Duties, which it is proposed to abolish, are as follows—

Relationship of the Beneficiary	Rate of Duty
	Per cent.
Husband or wife, child or lineal descendant of child, father or mother or any lineal ancestor	2
Brother or sister, lineal descendant of brother or sister	10
Any other beneficiary (excluding charities)	20
Charities	10

Certain exceptional rates which are governed by provisions of the Customs and Inland Revenue Act, 1888, and the Finance Act, 1947, are not shown in the Table.

TABLE XII.—Estimated Effect of Changes in Taxation
and Postal, &c., Charges

	Estimate for 1949-50	Estimate for a full year
	£	£
CUSTOMS AND EXCISE—		
<i>Customs—</i>		
Tea	— 10,800,000	— 11,000,000
Beer	— 750,000	— 800,000
Wines	— 600,000	— 600,000
Sugar, &c.	— 15,700,000	— 16,000,000
Matches and Mechanical Lighters	+ 1,500,000	+ 1,600,000
Total Customs	— 26,350,000	— 26,800,000
<i>Excise—</i>		
Beer	— 17,250,000	— 19,200,000
British Wines, &c.	— 400,000	— 400,000
Sugar, &c.	— 6,300,000	— 6,500,000
Matches and Mechanical Lighters	+ 3,300,000	+ 3,400,000
Entertainments (Rural Areas)	— 100,000	— 100,000
Betting (Football Pools, &c.)	+ 5,500,000	+ 6,000,000
Licence Duties* (Appraisers, Auctioneers, House Agents and Plate Dealers)	— 150,000	— 150,000
Total Excise	— 15,400,000	— 16,950,000
TOTAL CUSTOMS AND EXCISE	— 41,750,000	— 43,750,000

* The revenue from the duties on Excise licences to Hawkers, Moneylenders, Pawnbrokers and Refreshment House Keepers, which are to be transferred in due course to the Local Authorities, is approximately £50,000 a year.

TABLE XII.—Estimated Effect of Changes in Taxation and Postal, &c., Charges—*continued*

	Estimate for 1949-50	Estimate for a full year
	£	£
INLAND REVENUE—		
<i>Income Tax—</i>		
Exemption of unemployment, sickness and maternity benefits and withdrawal of relief in respect of the corresponding part of the National Insurance Contributions	+ 10,000,000	+ 10,000,000
<i>Income Tax and Profits Tax—</i>		
Increase in the Initial Allowance for machinery or plant to 40 per cent. ... ..	...	— 75,000,000
Allowances for depletion of overseas minerals ... ..	...	— 1,000,000
<i>Sur-tax and Profits Tax—</i>		
Relief from Sur-tax for sums paid to Trust Funds by Lloyds Underwriters subject to the liability of members of the Schemes to Profits Tax ... ..	...	— 500,000
<i>Death Duties—</i>		
Consolidation of the three existing Death Duties and the increase in the Estate Duty scale	+ 11,000,000	+ 20,000,000
<i>Stamp Duties—</i>		
Repeal of a number of minor heads of charge	— 500,000	— 1,000,000
Repeal of Bonus Issues Duty	— 1,000,000	— 1,000,000
TOTAL INLAND REVENUE	+ 19,500,000	— 48,500,000
POST OFFICE—		
Postal Services	+ 530,000	+ 600,000
Telephone Services	+ 2,485,000	+ 8,070,000
Telegraph Services	+ 15,000	+ 30,000
Total Post Office	+ 3,030,000	+ 8,700,000
Total	— 19,220,000	— 83,550,000

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

Head of Duty						1948-49		1949-50 Estimated Receipts
						Budget Estimate	Receipts (provisional)	
						£000	£000	£000
Spirits	...	...	...	...	C	55,450	44,172	43,200
					E	43,300	46,653	46,800
Total Spirits						98,750	90,825	90,000
Beer	...	...	...	...	C	13,400	12,607	12,000
					E	302,100	294,684	267,000
Total Beer						315,500	307,291	279,000
Wine	...	...	...	...	C	20,900	15,689	15,400
British Wines	...	...	...	...	E	5,700	3,836	3,600
Table Waters	...	...	...	...	C	—	—	—
					E	50	21	—
Total Table Waters						50	21	—
Tea	...	...	...	...	C	10,500	10,504	250
Cocoa	...	...	...	...	C	1,000	1,123	1,000
Coffee and Chicory	...	...	...	...	C	500	399	500
Sugar, Molasses, Glucose and Saccharin	...	...	...	...	C	27,000	23,698	11,700
					E	10,000	11,191	5,300
Total Sugar, &c.						37,000	34,889	17,000
Dried Fruits	...	...	...	...	C	500	422	700
Tobacco	...	...	...	...	C	577,500	601,165	625,000
					E	2,000	2,835	—
Total Tobacco						579,500	604,000	625,000
Matches and Mechanical Lighters	...	...	...	...	C	2,000	1,869	4,200
					E	6,000	5,624	8,300
Total Matches, &c.						8,000	7,493	12,500
Silk and Artificial Silk	...	...	...	...	C	2,250	3,240	3,300
					E	—	201	—
Total Silk, &c.						2,250	3,039	3,300

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

Head of Duty	1948-49		1949-50 Estimated Receipts
	Budget Estimate	Receipts (provisional)	
	£000	£000	£000
Oil C	57,000	57,227	63,000
Power Alcohol E	—	2	*
Total Oil, &c.	57,000	57,229	63,000
Entertainments E	46,250	47,169	45,000
Liquor Licences— Duties E	4,790	5,049	4,900
Monopoly Values E	200	803	3,500
Other Licences E	410	414	250
Playing Cards E	50	61	60
Hops... .. C	50	— 1	*
Key Industry Duty C	1,500	917	800
Duties under Import Duties Act, 1932 C	40,000	41,671	40,000
Ottawa Duties C	7,000	5,152	6,000
Beef and Veal C	4,000	2,100	2,500
Purchase Tax E	282,000	291,133	250,000
Betting E	23,500	23,353	28,500
Other Articles and Deposits { C E	50 200	— 46 122	100 390
Total Other Articles, &c.	250	76	490
Difference between Payments into Ex- chequer and Actual Receipts { C E	— —	+ 1,350 + 751	— —
Total Difference	—	+ 2,101	—
Total Revenue Customs ... Excise ...	820,600 726,550	823,258 733,500	829,650 663,600
TOTAL	1,547,150	1,556,758	1,493,250

* Estimated receipts for 1949-50 from "Power Alcohol" and "Hops" are included under the heading of "Other Articles and Deposits."

1948-49 OUTTURN AND 1949-50 BUDGET ESTIMATE

TABLE XIV.—Conventional form of Accounts £ millions

ABOVE THE LINE					
Revenue	1948-49	1949-50	Expenditure	1948-49	1949-50
Inland Revenue	2,058	2,086	Interest on Debt	477	466
Customs and Excise	1,557	1,493	Sinking Fund	23	19
Motor Duties	53	54	Northern Ireland	32	30
			Miscellaneous	10	12
TOTAL TAX REVENUE	3,668	3,633			
Surplus Stores	99	44	TOTAL CONSOLIDATED		
Trading Services	28	18	FUND SERVICES	542	527
Broadcast Licences	12	12	Supply: Defence	753	760
Crown Lands	1	1	Civil	1,845	1,983
Sundry Loans	18	20	Tax Collection	36	38
Miscellaneous	181	50			
Total Revenue	4,007	3,778	TOTAL SUPPLY...	2,634	2,781
			Total Expenditure	3,176	3,308
			Surplus	831	470
	4,007	3,778		4,007	3,778
BELOW THE LINE*					
Receipts			Payments		
Interest outside Budget ...	20	29	Interest outside Budget ...	20	29
Overseas Trade and Ex- port Guarantees—Re- payments	—	1	Post-war credits	19	18
Housing receipts from Votes	19	20	Excess Profits Tax Refunds	11	7
Local Authorities— Repayments	3	7	War Damage	130	102
Coal Nationalisation— Repayments	16	5	Do., Public Utility Undertakings	—	62
Gift from Australia ...	8	—	Advances for Temporary Housing, &c.	14	8
			Loans to Local Authorities	234	220
Total Receipts	66	62	Loans for New Towns Development	1	6
Net Sum borrowed or met from Surplus	479	456	Loans to Film Corporation	—	5
	545	518	Town and Country Planning: Issues to Central Land Board	—	5
			Coal Nationalisation— Working Capital, &c. ...	33	34
			Raw Cotton Commission— Working Capital, &c. (net)	41	—
			Overseas Resources Development	15	22
			Civil Contingencies Fund (net)	27	—
			Total Payments	545	518
Total Receipts	4,073	3,840		545	518
			Total Payments	3,721	3,826
			Overall Surplus 1948-49		352
			1949-50		14

* Items below the line are:—

1. Receipts applicable by statute to debt interest which would otherwise be paid out of revenue.
2. Receipts applicable to debt redemption.
3. Payments for which the Treasury has power to borrow.

1948-49 OUTTURN AND 1949-50 BUDGET ESTIMATE

TABLE XIV.—Alternative Classification

£ millions

Receipts	REVENUE ITEMS		Payments	1948-49	1949-50
	1948-49	1949-50			
Tax Revenue	3,668	3,633	Interest on Debt	477	466
Broadcast Licences	12	12	Interest outside Budget	20	29
Crown Lands	1	1	Post-war credits	19	18
Sundry Loans (Interest)... ..	8	9	Other Expenditure	2,597	2,739
Miscellaneous	61	40			
Interest outside Budget	20	29			
Housing receipts from Votes	19	20			
Gift from Australia	8	—			
Total Revenue Receipts	3,797	3,744	Total Revenue Payments	3,113	3,252
			Surplus	684	492
	3,797	3,744		3,797	3,744

LOANS AND OTHER NON-REVENUE ITEMS

Receipts	LOANS AND OTHER NON-REVENUE ITEMS		Payments	1948-49	1949-50
	1948-49	1949-50			
Surplus Stores	99	44	Sinking Funds	23	19
Trading Services	28	18	Excess Profits Tax Refunds	11	7
Sundry Loans (Principal)	10	11	War Damage	130	102
Miscellaneous	120*	10	Do., Public Utility Undertakings	—	62
Overseas Trade and Ex- port Guarantees—Re- payments	—	1	Capital Items in Civil Supply Expenditure	80	77
Local Authorities— Repayments	3	7	Loans to Allies, &c., in Civil Supply Expenditure	9	14
Coal Nationalisation— Repayments	16	5	Rise in stocks of food, &c.	17	— 3
			Argentine Agreement ad- justment	— 82	— 4
			Indian Defence Expenditure	55	—
			Advances for Temporary Housing, &c.	14	8
			Loans to Local Authorities	234	220
			Loans for New Towns Development	1	6
			Loans to Film Corporation	—	5
			Town and Country Planning: Issues to Central Land Board	—	5
			Coal Nationalisation— Working Capital, &c.	33	34
			Raw Cotton Commission— Working Capital, &c.(net)	41	—
			Overseas Resources Development	15	22
			Civil Contingencies Fund (net)	27	—
Total Non-Revenue Receipts	276	96	Total Non-Revenue Payments	608	574
Excess of Non-Revenue Payments over Receipts	332	478			
	608	574		608	574
Total Receipts	4,073	3,840	Total Payments	3,721	3,826

Overall Surplus 1948-49 352
1949-50 14

* Including 100 from India for war stores.

B.—SELF-BALANCING REVENUE AND EXPENDITURE

	£000
Post Office expenditure corresponding to Revenue	159,630
Excess Profits Tax, Post-war refunds (part deducted for tax)	5,700
Total	<u>165,330</u>

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