

FINANCIAL STATEMENT (1950-51)

RETURN to an Order of the Honourable The House of Commons
dated 18 April, 1950:—*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,
18 April, 1950 } DOUGLAS JAY

(Mr. Douglas Jay)

Ordered by The House of Commons to be Printed
18 April, 1950



LONDON

HIS MAJESTY'S STATIONERY OFFICE

NINEPENCE NET

Acc. 5622

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1949-50

TABLE I.—Comparison of Exchequer Issues with Estimated Expenditure

1948-49 Exchequer Issues		1949-50			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
477,176	Interest and Management of National Debt	485,000	—	485,000	472,206*
32,294	Payments to Northern Ireland Exchequer	30,000	—	30,000	36,963†
9,501	Other Consolidated Fund Services	12,000	—	12,000	10,607
518,971	Total	527,000	—	527,000	519,776
	SUPPLY SERVICES				
346,700	Army Votes	304,700	—	304,700	291,800
162,700	Navy Votes	189,250	—	189,250	186,800
186,900	Air Votes	207,450	—	207,450	201,600
56,300	Ministry of Supply (Defence)	57,750	4,000	61,750	59,750
550	Ministry of Defence ...	713	—	713	700
753,150	Total Defence	759,863	4,000	763,863	740,650
1,844,815	Civil Votes (excluding Minis- try of Supply (Defence))	1,982,876	163,644	2,146,520	2,059,034
35,846	Customs and Excise, Inland Revenue and balance of Post Office Votes ...	38,629	2,098	40,727	37,109
2,633,811	Total Supply Services ...	2,781,368	169,742	2,951,110	2,836,793
3,152,782	Total Ordinary Expenditure	3,308,368	169,742	3,478,110	3,356,569
22,824	Sinking Funds	—	—	—	18,723
3,175,606		3,308,368	169,742	3,478,110	3,375,292
	Self-Balancing Expenditure				
152,700	Post Office Expenditure cor- responding to Revenue ...	159,630	—	159,630	162,100
8,751	Excess Profits Tax, Post-war refunds (part deducted for tax)	5,700	—	5,700	11,893
161,451	Total Self-Balancing Expen- diture	165,330	—	165,330	173,993

* In addition £27,465,000 for Interest of the National Debt was met from receipts under various Acts authorising such application.

† This item is made up of:—

(1) £33,348,000, 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
55,396	
Add under-issue in 1947-48	2,205
Less cost of reserved services	4,253
Less Northern Ireland contribution to Imperial services	20,000

(2) £15,000, being issues under the Disabled Persons (Employment) Act, 1944.

(3) £3,600,000, being issues under the Social Services (Northern Ireland Agreement) Act, 1949.

1949-50

TABLE II.—Comparison of Exchequer Receipts with Budget Estimate

1948-49 Exchequer Receipts		1949-50		
		Budget Estimate	Exchequer Receipts	+ Increase or — Decrease
£000	Ordinary Revenue	£000	£000	£000
	INLAND REVENUE			
1,367,570	Income Tax	1,490,000	1,438,386	— 51,614
97,900	Sur-tax	105,000	114,700	+ 9,700
177,141	Death Duties	176,000	189,600	+ 13,600
56,433	Stamps	48,500	51,470	+ 2,970
199,090	Profits Tax	240,000	260,760	+ 56,960
79,805	Excess Profits Tax			
700	Other Inland Revenue Duties	1,000	638	— 362
79,450	Special Contribution	25,000	19,600	— 5,400
2,058,089		2,085,500	2,111,354	+ 25,854
	CUSTOMS AND EXCISE			
823,258	Customs	829,650	813,334	— 16,316
733,500	Excise	663,600	706,400	+ 42,800
1,556,758		1,493,250	1,519,734	+ 26,484
52,716	MOTOR VEHICLE DUTIES ...	54,000	55,772	+ 1,772
3,667,563	TOTAL RECEIPTS FROM TAXES...	3,632,750	3,686,860	+ 54,110
99,597	Sale of Surplus War Stores ...	44,000	79,138	+ 35,138
28,564	Surplus Receipts from Certain Trading Services	18,000	47,541	+ 29,541
11,700	Broadcast Receiving Licences	12,000	12,600	+ 600
860	Crown Lands	1,000	650	— 350
17,683	Receipts from Sundry Loans	20,000	20,244	+ 244
180,624	Miscellaneous	50,000	76,998*	+ 26,998
4,006,591	Total Ordinary Revenue ...	3,777,750	3,924,031	+ 146,281
	Self-Balancing Revenue			
152,700	Post Office Revenue	159,630	162,100	+ 2,470
8,751	Income Tax deducted from Excess Profits Tax, Post-war refunds	5,700	11,893	+ 6,193
161,451	Total Self-Balancing Revenue	165,330	173,993	+ 8,663

* Viz.:—

Surplus Appropriations-in-Aid	£000
Local Loans Fund—	16,781
Interest on Advances under Finance Act, 1935	10,730
Other items	49,487
	76,998

NOTE: *Post-war Credits*.—The total amount of Income Tax post-war credits outstanding at 31st March, 1950, is about £650 millions.

Refund of Excess Profits Tax.—The total amount of Excess Profits Tax post-war refunds outstanding at the same date is about £19 millions gross or £11 millions after deduction of Income Tax.

1949-50

TABLE III.—EXCHEQUER RECEIPTS AND PAYMENTS, 1949-50

		Receipts	£000
Ordinary Revenue	3,924,031
Self-Balancing Revenue	173,993
Receipts applicable under various Acts to Interest on the National Debt	27,465
Temporary advances Repaid—Bullion...	135
Money raised by creation of Debt (Total 987,550):—			
National Savings Certificates	102,500
2½ per cent. Defence Bonds	24,435
3½ per cent. Terminable Annuity (National Debt Commissioners)	50,000
Ways and Means Advances (net)	64,280
Treasury Bills (net)	423,858
Other Debt under the National Loans Act, 1939 (net)	322,477*
Repayments, &c., under:—			
Land Settlement (Facilities) Acts, 1919 and 1921	156
Tithe Act, 1936 (S. 26)	2,634
Export Guarantees Act, 1949	767
Housing (Temporary Accommodation) Acts, 1944 and 1947	18,794
Housing (Scotland) Act, 1944 (S. 4 (5)) and Housing (Financial Provisions) (Scotland) Act, 1946 (S. 13 (2))	37
Building Materials and Housing Act, 1945 (S. 4 (1))	1,200
Local Authorities Loans Act, 1945 (S. 3 (4))	4,429
Cinematograph Film Production (Special Loans) Act, 1949 (S. 8 (1))	6
Coal Industry Nationalisation Act, 1946 (S. 28 (2))	4,980
Cotton (Centralised Buying) Act, 1947 (S. 21 (3))	60,742
Miscellaneous Financial Provisions Act, 1946 (S. 3 (1)), Civil Contingencies Fund	100,000
Suez Canal Drawn Shares	182
Gift from the Government of Australia	8,000
Receipts under Article 4 (6) of the Economic Co-operation Agreement	92,000
Exchequer Balance on 31st March, 1949	3,628
			5,410,729

* Viz.:—

Internal Debt—

Bretton Woods Agreement Act, 1945—International Bank and Monetary Fund—Interest

Free Notes 200,475

Bank of England (Treasury Special Account)—Interest Free Notes 153,300

Loans Free of Interest —

Government of India—Agreement of 26th September, 1942 —

Financial Agreement of 9th July, 1948 (Cmd. 7472) —

Government of Pakistan—do. (Cmd. 7479) —

Government of Portugal... .. 21,105

Miscellaneous —

External Debt—

United States—Government Loan under Agreement of 6th December, 1945 (Cmd. 6708) —

Loan from the Reconstruction Finance Corporation —

E.C.A. Loan under Agreements of 26th October, 1948, 16th February, 1949, and 26th January, 1950 (Cmds. 7550, 7636 and 7881) 12,756

Government of Canada—Loan under Financial Agreement of 6th March, 1946 (Cmd. 6904) 34,369

Loan Free of Interest —

Province of Newfoundland—Loans Free of Interest... .. —

Government of Union of South Africa —

Government of Belgium—Loan under Agreement of 7th September, 1949 (Cmd. 7811) 1,629

Miscellaneous —

Increase

£000

Decrease

£000

423,634

101,157

322,477

1949-50
TABLE III.—EXCHEQUER RECEIPTS AND PAYMENTS 1949-50—continued

	Payments	£000
Ordinary Expenditure		3,356,569
Sinking Funds		18,723*
Self-Balancing Expenditure		173,993
Interest outside the Permanent Debt Charge—Issues under various Acts ...		27,465†
Issues for Redemption of Debt (Total 969,261):—		
National Savings Certificates (Principal only)		125,850
2½ per cent. Defence Bonds		20,492
3 per cent. Defence Bonds		23,485
1¾ per cent. Exchequer Bonds, 1950		51,484
2½ per cent. Terminable Annuities (National Debt Commissioners) ...		6,062
3 per cent. Terminable Annuities (National Debt Commissioners) ...		32,765
Tax Reserve Certificates (net)		38,623
Treasury Deposits by Banks (net)		670,500
Excess Profits Tax, Post-war refunds (balance after deduction of tax) ...		14,535
Issue to National Debt Commissioners:—		
Suez Canal Drawn Shares		182
Issues under the following Acts:—		
Tithe Act, 1936—Temporary advances to Redemption Annuities Account ...		2,440
Export Guarantees Act, 1949—Acquisition of Guaranteed Securities ...		922
Housing (Temporary Accommodation) Acts, 1944 and 1947—Provision of temporary houses		3,100
Housing (Scotland) Act, 1944, and Housing (Financial Provisions) (Scotland) Act, 1946—Advances to Scottish Special Housing Association ...		4,631
Local Authorities Loans Act, 1945—Issues to Local Loans Fund for loans to Local Authorities		272,150
New Towns Act, 1946—Capital advances to Development Corporations ...		4,791
Cinematograph Film Production (Special Loans) Act, 1949—Advances to National Film Finance Corporation for Loans		4,130
Development of Inventions Act, 1948—For Capital Account of National Research Development Corporation		50
Coal Industry Nationalisation Act, 1946—Advances to National Coal Board for working capital, &c.		15,000
Cotton (Centralised Buying) Act, 1947—Advances to Raw Cotton Commission for working balances		60,500
Overseas Resources Development Act, 1948—		
For Capital Account of Colonial Development Corporation		3,625
For Capital Account of Overseas Food Corporation		11,450
War Damage (Public Utility Undertakings, &c.), Act, 1949—		
War Damage Payments		62,500
Miscellaneous Financial Provisions Act, 1946—		
War Damage Payments—Board of Trade		8,850
War Damage Payments—War Damage Commission		102,500
Civil Contingencies Fund—Temporary increase of capital		100,000
Bretton Woods Agreements Act, 1945—Write up on devaluation of sterling balances of International Bank and Fund		173,447
Finance Acts, 1946 and 1947—Repayment of Post-war Credits		16,960
Exchequer Balance on 31st March, 1950		2,955
		5,410,729

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

	£000
Specific Sinking Funds:—	
Capital of Terminable Annuities	1,050
4 per cent. Funding Loan Sinking Fund	6,534
3 per cent. Funding Loan Sinking Fund	5,421
Victory Bonds Sinking Fund	5,718
Tota	18,723

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

TABLE IV
NATIONAL DEBT

	31st March, 1949	31st March, 1950 (approximate totals)
	£000	£000
2½% Consols, &c.	313,092	313,078
4% Consols, 1957 or after	397,236	396,183
2¾% Funding Loan, 1952-57	100,560	100,560
2½% Funding Loan, 1956-61	200,210	198,881
3% Funding Loan, 1959-69	343,479	337,894
4% Funding Loan, 1960-90	298,133	292,111
3½% Conversion Loan, 1961 or after	739,253	739,251
3% National Defence Loan, 1954-58	320,820	320,820
3½% War Loan, 1952 or after	1,910,889	1,910,501
3% War Loan, 1955-59	302,519	302,519
2½% National War Bonds, 1949-51	714,181	714,180
2½% National War Bonds, 1951-53	522,302	522,301
2½% National War Bonds, 1952-54	809,682	809,682
2½% National War Bonds, 1954-56	426,107	426,106
3% Savings Bonds, 1955-65	712,684	712,683
3% Savings Bonds, 1960-70	1,024,704	1,024,703
3% Savings Bonds, 1965-75	1,073,150	1,073,150
2½% Savings Bonds, 1964-67	752,550	752,550
2¼% Exchequer Stock, 1955	—	735,143
1¾% Exchequer Bonds, 1950	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, 1986-2016	78,457	78,457
4% Victory Bonds (repayable by annual drawings ending 1976)	264,320	258,714
Terminable Annuities	12,811	12,593
3½% Terminable Annuity*	—	50,000
3% Terminable Annuities*	1,179,245	1,146,480
2½% Terminable Annuities*	233,265	227,203
3% Defence Bonds	671,377	647,728
2½% Defence Bonds	304,314	307,913
National Savings Certificates	1,737,205†	1,712,534
Tax Reserve Certificates	356,837	318,213
Other Debt:		
International Monetary Fund—Interest Free Notes	304,625	480,450
International Bank for Reconstruction and Development—Interest Free Notes	57,475	82,125
Bank of England (Treasury Special Account)—Interest Free Notes	6,675	159,975
Government of India... ..	174,301	166,878
Government of Pakistan	7,845	7,554
Government of Portugal	61,195	82,300
Miscellaneous	36,051	32,174
Treasury Deposit Receipts	1,135,500	465,000
Treasury Bills	4,418,380	4,842,505
Ways and Means Advances	343,485	407,765
Deduct:	23,671,858	23,709,174
Victory Bonds, &c., purchased by National Debt Commissioners, but not yet cancelled	99,592	97,523
Total Internal Debt (net)	23,572,266	23,611,651
External Debt:		
United States—Government Loan	1,081,981	1,556,468
E.C.A. Loan	68,376	115,250
Loan from Reconstruction Finance Corporation	32,613	33,518
Canadian Government Loans	324,687	469,824
Government of Union of South Africa	69,992	—
Other Debt (payable in external currency)	17,696	17,542
Total External Debt	1,595,345	2,192,602
Total National Debt (net)	25,167,611	25,804,253

* Issued to National Debt Commissioners.

† Shown at issue price, exclusive of accrued interest amounting to £399 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	230,501
1945-46	5,648,652	—	5,648,652	248,414
1946-47	3,836,287	—	3,836,287	271,266†
1947-48	3,212,661	—	3,212,661	313,686†
1948-49	3,175,606‡	—	3,175,606	295,289†
1949-50	3,375,292‡	—	3,375,292	¶308,135†

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

† Estimated.

‡ Exchequer Issues.

§ As measured by rates collected.

¶ Viz., England and Wales £279,000,000, Scotland £29,135,000.

1950-51

TABLE VI.—Comparison of Estimated EXPENDITURE under Budget heads

Service	Budget Estimate 1949-50	Estimate 1950-51	+ Increase or - Decrease
	£000	£000	£000
Ordinary Expenditure			
CONSOLIDATED FUND SERVICES			
Debt Charge	485,000	490,000	+ 5,000
Payments to Northern Ireland Exchequer	30,000	36,000	+ 6,000
Other Consolidated Fund Services ...	12,000	11,000	- 1,000
TOTAL	527,000	537,000	+ 10,000
SUPPLY SERVICES			
Army Votes	304,700	299,000	- 5,700
Navy Votes	189,250	193,000	+ 3,750
Air Votes	207,450	223,000	+ 15,550
Ministry of Supply (Defence)	57,750	65,000	+ 7,250
Ministry of Defence	713	820	+ 107
Total Defence	759,863	780,820	+ 20,957
Civil Votes (excluding Ministry of Supply (Defence))	1,982,876	2,102,238	+ 119,362
Customs and Excise, Inland Revenue and balance of Post Office Votes	38,629	35,011	- 3,618
TOTAL SUPPLY SERVICES	2,781,368	2,918,069	+ 136,701
Total Ordinary Expenditure ...	3,308,368	3,455,069	+ 146,701
Self-Balancing Expenditure			
Post Office Expenditure corresponding to Revenue	159,630	172,150	+ 12,520
Excess Profits Tax Post-war refunds (part deducted for tax)	5,700	5,700	—
Total Self-Balancing Expenditure ...	165,330	177,850	+ 12,520

1950-51

TABLE VII.—Classified Statement of Estimated EXPENDITURE

	1949-50		1950-51		+ Increase or - Decrease
	£000	£000	£000	£000	
1. PERMANENT DEBT CHARGE ... ..	...	485,000	...	490,000	+ 5,000
2. DEFENCE AND SUPPLY DEPART- MENTS:—					
Navy	189,250		193,000		
Army	304,700		299,000		
Air	207,450		223,000		
Ministry of Supply (defence expenditure)	57,750		65,000		
Ministry of Defence	713		820		
		759,863		780,820	+ 20,957
3. ASSISTANCE TO LOCAL SERVICES (<i>For details see Table VII (a)</i>) ... ..	...	448,274	...	458,530	+ 10,256
4. NATIONAL SERVICES (HEALTH, INSURANCE, PENSIONS, &C.) (<i>For details see Table VII (b)</i>) ... ..	...	623,404	...	756,538	+ 133,134
5. TAX COLLECTION:—					
Customs and Excise	9,003		9,240		
Inland Revenue	21,701		24,537		
		30,704		33,777	+ 3,073
6. POST OFFICE (excess over Revenue)	...	7,361	...	641	- 6,720
7. OTHER NATIONAL SERVICES:—					
General (<i>For details see Table VII (c)</i>) ... ..	...	835,799	...	866,417	+ 30,618
Terminal or temporary services arising out of the war (<i>For details see Table VII (d)</i>) ... ..	...	117,963	...	68,346	- 49,617
Total Ordinary Expenditure		3,308,368		3,455,069	+ 146,701
8. SELF-BALANCING SERVICE:—					
Post Office Expenditure corresponding to Revenue		159,630		172,150	+ 12,520
Excess Profits Tax, Post-war refunds (part deducted for tax)		5,700		5,700	—
TOTAL SELF-BALANCING EXPENDITURE		165,330		177,850	+ 12,520

1950-51

TABLE VII (a).—ASSISTANCE TO LOCAL SERVICES

	1949-50	1950-51	+ Increase or - Decrease
	£000	£000	£000
(a) General Grant for Local Services:—			
Exchequer Contributions to Local Revenues ...	57,170	54,610	- 2,560
(b) Specific Services (in addition to provision included in the first item above):—			
Education and Physical Training (including Teachers' Pensions)*	225,302	242,994	+ 17,692
Health Services	18,796	20,510	+ 1,714
Housing†:—			
(i) Permanent Housing	34,910	29,640	- 5,270
(ii) Temporary Housing	21,468	20,902	- 566
(iii) Emergency Housing and Miscellaneous Services	9,872	10,211	+ 339
Police	25,640	28,417	+ 2,777
Fire Services	4,936	3,262	- 1,674
Roads (including Trunk Roads)	26,015	27,069	+ 1,054
Development Areas	14,224	8,360	- 5,864
Child Care	6,251	8,224	+ 1,973
Miscellaneous	3,690	4,331	+ 641
TOTAL	448,274	458,530	+ 10,256

* This item includes cost of administration.

† Amounts of £1,024,200 for administration and £341,300 for research and development expenditure in connection with Housing are included in Table VII (c).

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

	1949-50	1950-51	+ Increase or - Decrease
	£000	£000	£000
National Health Service	244,560	374,354	+ 129,794
Contributions to National Insurance and Pensions Schemes:—			
National Insurance Fund	141,000	145,625	+ 4,625
National Insurance (Industrial Injuries) Fund ...	6,000	6,000	—
National Assistance, &c.	55,650	54,765	- 885
Old Age Pensions (non-contributory)	27,675	25,150	- 2,525
Family Allowances	60,236	61,987	+ 1,751
War Pensions (including Mercantile Marine and Civilians)*	88,283	88,657	+ 374
TOTAL	623,404	756,538	+ 133,134

* This item includes cost of administration.

1950-51

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

	1949-50	1950-51	+ Increase or - Decrease
	£000	£000	£000
Agriculture and Fisheries (including Food Production)*	67,221	61,133	- 6,088
Food Services (other than Food Production)*	409,517	401,944	- 7,573
Broadcasting	13,996	17,095	+ 3,099
Civil Aviation*	22,554	21,180	- 1,374
Civil Defence (developing services)	1,446	5,256	+ 3,810
Civil Superannuation, &c. (other than Defence and Revenue Departments)	5,647	6,436	+ 789
Colonial Development and Welfare	6,704	22,308	+ 15,604
Employment, Transference, Training and Resettlement* Commonwealth and Foreign Services*	29,226	23,657	- 5,569
Forestry*	41,196	53,010	+ 11,814
Irish Services	5,756	6,581	+ 825
Ministry of Supply (civil expenditure)*	37,782	43,777	+ 5,995
Museums, Galleries, &c.*	42,757	50,540	+ 7,783
Prisons, &c.*	2,075	2,095	+ 20
Research and Development†	5,416	5,308	- 108
Trade*	11,493	14,744	+ 3,251
Transport Services (other than Roads)*	8,633	6,268	- 2,365
Works, Buildings, Stationery and Information Services*	4,227	4,016	- 211
Festival of Britain, 1951	79,145	72,032	- 7,113
Miscellaneous (including General Administration)	600	5,263	+ 4,663
	40,408	43,774	+ 3,366
TOTAL	835,799	866,417	+ 30,618

* 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† ‡

	1949-50	1950-51	+ Increase or - Decrease
	£000	£000	£000
Advances to Allies, &c.	10,000	9,250	- 750
Board of Trade Commodity, &c., Services	2,791	3,357	+ 566
Civil Defence and National Fire Service	5,406	1,896	- 3,510
Foreign Office (German Section)*	30,802	5,973	- 24,829
Emergency Hospital and Medical Services	2,123	76	- 2,047
Commonwealth and Foreign Services	7,138	9,646	+ 2,508
Fuel and Power Services	2,500	400	- 2,100
Ministry of Supply, Commodity and Miscellaneous Terminal Services	20,785	15,198	- 5,587
Shipping and Inland Transport Services	28,717	16,158	- 12,559
Miscellaneous	7,701	6,392	- 1,309
TOTAL	117,963	68,346	- 49,617

* 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 Departments, estimated at £13,260,000, for 1949-50, and £7,550,000, for 1950-51. (See Cmd. 7895.)

1950-51

TABLE VIII.—Comparison of Estimated RECEIPTS from Revenue in 1950-51 with Exchequer Receipts in 1949-50

On the basis of existing Taxation

	Exchequer Receipts in 1949-50	Estimate for 1950-51 on the basis of existing Taxation	+ Increase or - Decrease
	£000	£000	£000
Ordinary Revenue:			
INLAND REVENUE			
Income Tax	1,438,386	1,460,000	+ 21,614
Sur-tax	114,700	120,000	+ 5,300
Death Duties	189,600	195,000	+ 5,400
Stamps	51,470	50,000	- 1,470
Profits Tax	260,760	270,000	- 26,960
Excess Profits Tax	36,200		
Other Inland Revenue Duties	638	500	- 138
Special Contribution	19,600	4,500	- 15,100
	2,111,354	2,100,000	- 11,354
CUSTOMS AND EXCISE			
Customs	813,334	807,300	- 6,034
Excise	706,400	702,700	- 3,700
	1,519,734	1,510,000	- 9,734
MOTOR VEHICLE DUTIES	55,772	56,000	+ 228
TOTAL RECEIPTS FROM TAXES	3,686,860	3,666,000	- 20,860
Sale of Surplus War Stores, &c.	79,138	35,000	- 44,138
Surplus Receipts from certain Trading Services	47,541	85,000	+ 37,459
Broadcast Receiving Licences	12,600	13,000	+ 400
Receipts from Sundry Loans	20,244	27,000	+ 6,756
Miscellaneous (including Crown Lands)... ..	77,648	70,000	- 7,648
Total Ordinary Revenue	3,924,031	3,896,000	- 28,031
Self-Balancing Revenue:			
Post Office Revenue	162,100	172,150	+ 10,050
Income Tax deducted from Excess Profits Tax, Post-war refunds	11,893	5,700	- 6,193
Total Self-Balancing Revenue	173,993	177,850	+ 3,857

TABLE IX.—PROPOSED CHANGES IN TAXATION

INLAND REVENUE

INCOME TAX

It is proposed to reduce the rate of tax chargeable on the first £50 of taxable income from 3s. in the £ to 2s. 6d. and the rate chargeable on the next £200 of taxable income from 6s. to 5s.

It is proposed that cash and other benefits received as consideration for "restrictive covenants" entered into in connexion with an office or employment shall be charged to sur-tax for 1949-50 and subsequent years, the charge being based on the value of the benefits "grossed up" by reference to the standard rate of income tax.

CUSTOMS AND EXCISE

CUSTOMS

Hydrocarbon Oil.—It is proposed to alter the duties and rebates on hydrocarbon oil, so as to raise the effective charge on light oils (motor spirit, &c.) and on heavy oils used as fuel in road vehicles from 9d. to 1s. 6d. per gallon from 6 p.m. on 18th April, 1950.

Beer.—It is proposed to alter the Customs duties on beer (other than black beer, &c.) so as to increase the basic gravity by three degrees and reduce the basic rates of duty by 2s. 6d. per barrel of 36 gallons. The change will apply to all beer imported or delivered from bonded warehouse on or after 19th April, 1950.

The proposed duties, compared with the existing duties, are given in the following table:—

	Existing Duties			Proposed Duties	
	Full Rate	Preferential Rate		Full Rate	Preferential Rate
	£ s. d. per 36 gallons	£ s. d. per 36 gallons		£ s. d. per 36 gallons	£ s. d. per 36 gallons
<i>Beer</i> (other than black beer, &c.)—			<i>Beer</i> (other than black beer, &c.)—		
Up to 1027 degrees ...	8 18 3½	7 18 3½	Up to 1030 degrees ...	8 15 9½	7 15 9½
Additional for every degree over 1027 degrees ...	6 7½	6 7½	Additional for every degree over 1030 degrees ...	6 7½	6 7½

Subject in each case to an additional duty of 10d. per 36 gallons, of any gravity, consequential on the hop duty.

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

EXCISE

Hydrocarbon Oil.—It is proposed that, from 19th April, 1950, an Excise duty of 9*d.* per gallon shall be imposed on all hydrocarbon oils, except those on which Customs duty is chargeable, but that a rebate equal to the full amount of the duty shall be allowed in respect of heavy oils other than those used as fuel in road vehicles.

Petrol Substitutes.—It is proposed that, from 19th April, 1950, an Excise duty of 9*d.* per gallon shall be charged on petrol substitutes. These are defined as any liquid intended to take the place of petrol as fuel for internal combustion engines, being neither a hydrocarbon oil nor power methylated spirits.

Power Methylated Spirits.—It is proposed to increase the rate of duty on power methylated spirits (power alcohol) from 9*d.* to 1*s.* 6*d.* per gallon from 19th April, 1950.

Beer.—It is proposed to alter the Excise duties on beer (other than black beer, &c.) so as to increase the basic gravity by three degrees and reduce the basic rate of duty by 2*s.* 6*d.* per barrel of 36 gallons. The change will operate from 19th April, 1950.

The proposed duties, compared with the existing duties, are given in the following table:—

	Existing Duties		Proposed Duties
	£ s. d. per 36 gallons		£ s. d. per 36 gallons
<i>Beer</i> (other than black beer, &c.)—		<i>Beer</i> (other than black beer, &c.)—	
Up to 1027 degrees ...	7 17 10½	Up to 1030 degrees ...	7 15 4½
Additional for every degree over 1027 degrees ...	6 7½	Additional for every degree over 1030 degrees ...	6 7½

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

Spirits Allowances.—It is proposed to repeal, from 1st May, 1950, the remaining Excise allowances at present payable on certain categories of home-made spirits which were warehoused or distilled before 1st January, 1946.

Pool Betting Duty.—It is proposed to extend the scope of the duty (which at present applies to bets made on terms that the winnings are determined by the amount of the "pool" of stake money or by the division of some other amount among the winners) to bets where the winners may receive any sort of preferential benefit at the discretion of the promoter. This change will apply to transactions concerning events taking place on or after 1st August, 1950.

Purchase Tax.—It is proposed that, from 1st May, 1950, Purchase Tax shall be chargeable at the rate of $33\frac{1}{3}$ per cent. on mechanically propelled vehicles constructed or adapted for use for the carriage or haulage of goods or burden of any description not forming part of the vehicle or necessary for its propulsion or equipment (including vehicles designed for use as trailers with a mechanically propelled vehicle or as components of a composite vehicle which is mechanically propelled). Certain exceptions of which the following is a provisional list will be provided for in the Finance Bill:—

- (1) Vehicles of the following descriptions constructed or adapted solely or mainly for the carriage of passengers:—

Ambulances and invalid carriages;
Tramcars, trolley vehicles and other vehicles constructed to carry not less than twelve passengers;
Vehicles of not less than 3 tons unladen weight;
Prison vans and fire tenders.

- (2) Vehicles of the following descriptions in which the accommodation for carrying passengers or goods is only incidental to the use of the vehicle for other purposes:—

Caravans;
Mobile cinemas and sound film production vehicles;
Mobile canteens, mobile clinics and travelling libraries;
Mobile printing presses and other mobile workshops;
Hearses, but not including hearsettes;
Tower wagons, road construction, road cleansing, road watering and refuse collecting vehicles.

- (3) Farm tractors.

It is also proposed to reduce, from $66\frac{2}{3}$ per cent. to $33\frac{1}{3}$ per cent., the rate of Purchase Tax on motor cars having a tax-inclusive retail value exceeding £1,280. This change will operate from 19th April, 1950.

TABLE X.—ESTIMATED EFFECT OF CHANGES IN TAXATION.

	Estimate for 1950-51	Estimate for a full year
	£	£
INLAND REVENUE		
<i>Income Tax—</i>		
Reductions in the reduced rates of tax from 3s. to 2s. 6d. and from 6s. to 5s. ...	- 72,000,000	- 82,000,000
CUSTOMS AND EXCISE		
<i>Customs—</i>		
Hydrocarbon Oil	+ 63,500,000	+ 67,500,000
Beer	- 150,000	- 160,000
Total Customs	+ 63,350,000	+ 67,340,000
<i>Excise—</i>		
Hydrocarbon Oil	+ 5,000,000	+ 5,500,000
Petrol Substitutes	+ 50,000	+ 50,000
Power Alcohol	Negligible	Negligible
Beer	- 2,600,000	- 3,090,000
Spirits (Allowances)	*	+ 100,000
Betting (Football Pools, &c.)	*	+ 100,000
Purchase Tax	+ 8,000,000	+ 11,500,000
Total Excise	+ 10,450,000	+ 14,160,000
TOTAL CUSTOMS AND EXCISE	+ 73,800,000	+ 81,500,000
TOTAL	+ 1,800,000	- 500,000

* The effects of these changes have been taken into account in computing the yield on the existing basis; the additional revenue in 1950-51 is estimated to be £90,000 in each case.

TABLE XI.—INCOME TAX

Amount of tax and effective rate of tax per pound of income for specimen incomes.

(1) Single Persons

The Table shows the tax payable by single persons after deduction of the personal allowance and, in the case of earned income, the 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.

Income £	Income all Earned Income				Income all Investment Income*			
	Charge for 1949-50		Proposed Charge 1950-51		Charge for 1949-50		Proposed Charge 1950-51	
	Income Tax (and Sur-tax if any)	Effec- tive Rate	Income Tax (and Sur-tax if any)	Effec- tive Rate	Income Tax (and Sur-tax if any)	Effec- tive Rate	Income Tax (and Sur-tax if any)	Effec- tive Rate
£ s. d.	s. d.	£ s. d.	s. d.	£ s. d.	s. d.	£ s. d.	s. d.	
135	—	—	—	—	—	—	—	—
140	— 6 0	— 0½	— 5 0	— 0½	1 10 0	— 2½	1 5 0	— 2
150	1 10 0	— 2½	1 5 0	— 2	4 10 0	— 7	3 15 0	— 6
175	4 10 0	— 6	3 15 0	— 5	12 0 0	1 4½	10 0 0	1 1½
200	7 10 0	— 9	6 5 0	— 7½	19 10 0	1 11½	16 5 0	1 7½
225	13 10 0	1 2½	11 5 0	1 0	27 0 0	2 5	22 10 0	2 0
250	19 10 0	1 6½	16 5 0	1 3½	34 10 0	2 9	28 15 0	2 3½
300	31 10 0	2 1	26 5 0	1 9	49 10 0	3 3½	41 5 0	2 9
350	43 10 0	2 6	36 5 0	2 1	64 10 0	3 8	53 15 0	3 1
400	55 10 0	2 9½	46 5 0	2 3½	85 10 0	4 3½	74 5 0	3 8½
500	85 10 0	3 5	74 5 0	2 11½	130 10 0	5 2½	119 5 0	4 9
600	121 10 0	4 0½	110 5 0	3 8	175 10 0	5 10	164 5 0	5 5½
700	157 10 0	4 6	146 5 0	4 2	220 10 0	6 3½	209 5 0	5 11½
800	193 10 0	4 10	182 5 0	4 6½	265 10 0	6 7½	254 5 0	6 4½
900	229 10 0	5 1	218 5 0	4 10	310 10 0	6 11	299 5 0	6 8
1,000	265 10 0	5 3½	254 5 0	5 1	355 10 0	7 1½	344 5 0	6 10½
1,250	355 10 0	5 8½	344 5 0	5 6	468 0 0	7 6	456 15 0	7 3½
1,500	445 10 0	5 11½	434 5 0	5 9½	580 10 0	7 9	569 5 0	7 7
2,000	625 10 0	6 3	614 5 0	6 1½	805 10 0	8 0½	794 5 0	7 11½
2,500	900 10 0	7 2½	889 5 0	7 1½	1,080 10 0	8 7½	1,069 5 0	8 6½
3,000	1,188 0 0	7 11	1,176 15 0	7 10	1,368 0 0	9 1½	1,356 15 0	9 0½
4,000	1,813 0 0	9 1	1,801 15 0	9 0	1,993 0 0	9 11½	1,981 15 0	9 11
5,000	2,488 0 0	9 11½	2,476 15 0	9 11	2,668 0 0	10 8	2,656 15 0	10 7½
6,000	3,213 0 0	10 8½	3,201 15 0	10 8	3,393 0 0	11 3½	3,381 15 0	11 3
7,000	3,988 0 0	11 4½	3,976 15 0	11 4½	4,168 0 0	11 11	4,156 15 0	11 10½
8,000	4,763 0 0	11 11	4,751 15 0	11 10½	4,943 0 0	12 4½	4,931 15 0	12 4
9,000	5,588 0 0	12 5	5,576 15 0	12 4½	5,768 0 0	12 10	5,756 15 0	12 9½
10,000	6,413 0 0	12 10	6,401 15 0	12 9½	6,593 0 0	13 2	6,581 15 0	13 2
12,000	8,163 0 0	13 7½	8,151 15 0	13 7	8,343 0 0	13 11	8,331 15 0	13 10½
15,000	10,938 0 0	14 7	10,926 15 0	14 7	11,118 0 0	14 10	11,106 15 0	14 9½
20,000	15,688 0 0	15 8½	15,676 15 0	15 8	15,868 0 0	15 10½	15,856 15 0	15 10½
25,000	20,563 0 0	16 5½	20,551 15 0	16 5½	20,743 0 0	16 7	20,731 15 0	16 7
30,000	25,438 0 0	16 11½	25,426 15 0	16 11½	25,618 0 0	17 1	25,606 15 0	17 1
40,000	35,188 0 0	17 7	35,176 15 0	17 7	35,368 0 0	17 8	35,356 15 0	17 8
50,000	44,938 0 0	17 11½	44,926 15 0	17 11½	45,118 0 0	18 0½	45,106 15 0	18 0½
100,000	93,688 0 0	18 9	93,676 15 0	18 9	93,868 0 0	18 9½	93,856 15 0	18 9½

* Age Relief.—Where the taxpayer (or his wife) is over 65 and his total income does not exceed £500, age relief is given: this reduces the tax payable to that chargeable on the earned income scale. Where the total income slightly exceeds £500, marginal relief is given so that the full tax on the investment income scale is not payable until the marginal relief runs out.

TABLE XI.—INCOME TAX—*continued*

(2) Married Couples without Children

The Table shows the tax payable by married couples without children after deduction of the married allowance and, in the case of earned income, the 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.

Income	Income all Earned Income				Income all Investment Income*			
	Charge for 1949-50		Proposed Charge 1950-51		Charge for 1949-50		Proposed Charge 1950-51	
	Income Tax (and Sur-tax if any)	Effective Rate	Income Tax (and Sur-tax if any)	Effective Rate	Income Tax (and Sur-tax if any)	Effective Rate	Income Tax (and Sur-tax if any)	Effective Rate
£	£ s. d.	s. d.	£ s. d.	s. d.	£ s. d.	s. d.	£ s. d.	s. d.
180	—	—	—	—	—	—	—	—
200	—	—	—	—	3 0 0	— 3½	2 10 0	— 3
225	—	—	—	—	6 15 0	— 7	5 12 6	— 6
250	3 0 0	— 3	2 10 0	— 2½	13 10 0	1 1	11 5 0	— 11
300	10 10 0	— 8½	8 15 0	— 7	28 10 0	1 11	23 15 0	1 7
350	22 10 0	1 3½	18 15 0	1 1	43 10 0	2 6	36 5 0	2 1
400	34 10 0	1 8½	28 15 0	1 5	58 10 0	2 11	48 15 0	2 5
500	58 10 0	2 4	48 15 0	1 11½	99 0 0	3 11½	87 15 0	3 6
600	90 0 0	3 0	78 15 0	2 7½	144 0 0	4 9½	132 15 0	4 5
700	126 0 0	3 7	114 15 0	3 3½	189 0 0	5 5	177 15 0	5 1
800	162 0 0	4 0½	150 15 0	3 9	234 0 0	5 10	222 15 0	5 7
900	198 0 0	4 5	186 15 0	4 2	279 0 0	6 2½	267 15 0	5 11½
1,000	234 0 0	4 8	222 15 0	4 5½	324 0 0	6 6	312 15 0	6 3
1,250	324 0 0	5 2	312 15 0	5 0	436 10 0	7 0	425 5 0	6 9½
1,500	414 0 0	5 6	402 15 0	5 4½	549 0 0	7 4	537 15 0	7 2
2,000	594 0 0	5 11½	582 15 0	5 10	774 0 0	7 9	762 15 0	7 7½
2,500	869 0 0	6 11½	857 15 0	6 10½	1,049 0 0	8 4½	1,037 15 0	8 3½
3,000	1,156 10 0	7 8½	1,145 5 0	7 7½	1,336 10 0	8 11	1,325 5 0	8 10
4,000	1,781 10 0	8 11	1,770 5 0	8 10	1,961 10 0	9 9½	1,950 5 0	9 9
5,000	2,456 10 0	9 10	2,445 5 0	9 9½	2,636 10 0	10 6½	2,625 5 0	10 6
6,000	3,181 10 0	10 7½	3,170 5 0	10 7	3,361 10 0	11 2½	3,350 5 0	11 2
7,000	3,956 10 0	11 3½	3,945 5 0	11 3½	4,136 10 0	11 10	4,125 5 0	11 9½
8,000	4,731 10 0	11 10	4,720 5 0	11 9½	4,911 10 0	12 3½	4,900 5 0	12 3
9,000	5,556 10 0	12 4	5,545 5 0	12 4	5,736 10 0	12 9	5,725 5 0	12 8½
10,000	6,381 10 0	12 9	6,370 5 0	12 9	6,561 10 0	13 1½	6,550 5 0	13 1
12,000	8,131 10 0	13 6½	8,120 5 0	13 6½	8,311 10 0	13 10	8,300 5 0	13 10
15,000	10,906 10 0	14 6½	10,895 5 0	14 6½	11,086 10 0	14 9½	11,075 5 0	14 9
20,000	15,656 10 0	15 8	15,645 5 0	15 7½	15,836 10 0	15 10	15,825 5 0	15 10
25,000	20,531 10 0	16 5	20,520 5 0	16 5	20,711 10 0	16 7	20,700 5 0	16 6½
30,000	25,406 10 0	16 11½	25,395 5 0	16 11	25,586 10 0	17 0½	25,575 5 0	17 0½
40,000	35,156 10 0	17 7	35,145 5 0	17 7	35,336 10 0	17 8	35,325 5 0	17 8
50,000	44,906 10 0	17 11½	44,895 5 0	17 11½	45,086 10 0	18 0½	45,075 5 0	18 0½
100,000	93,656 10 0	18 9	93,645 5 0	18 8½	93,836 10 0	18 9	93,825 5 0	18 9

* Age Relief.—Where the taxpayer (or his wife) is over 65 and his total income does not exceed £500, age relief is given: this reduces the tax payable to that chargeable on the earned income scale. Where the total income slightly exceeds £500, marginal relief is given so that the full tax on the investment income scale is not payable until the marginal relief runs out.

TABLE XI.—INCOME TAX—*continued*

(3) Married Couples with one Child

The Table shows the tax payable by married couples with one child after deduction of the married allowance and allowance for one child and, in the case of earned income, the 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.

Income	Income all Earned Income				Income all Investment Income*			
	Charge for 1949-50		Proposed Charge 1950-51		Charge for 1949-50		Proposed Charge 1950-51	
	Income Tax (and Sur-tax if any)	Effective Rate	Income Tax (and Sur-tax if any)	Effective Rate	Income Tax (and Sur-tax if any)	Effective Rate	Income Tax (and Sur-tax if any)	Effective Rate
£	£ s. d.	s. d.	£ s. d.	s. d.	£ s. d.	s. d.	£ s. d.	s. d.
240	—	—	—	—	—	—	—	—
250	—	—	—	—	1 10 0	— 1½	1 5 0	— 1
275	—	—	—	—	5 5 0	— 4½	4 7 6	— 4
300	—	—	—	—	10 10 0	— 8½	8 15 0	— 7
350	6 0 0	— 4	5 0 0	— 3½	25 10 0	1 5½	21 5 0	1 2½
400	16 10 0	— 10	13 15 0	— 8½	40 10 0	2 0½	33 15 0	1 8
500	40 10 0	1 7½	33 15 0	1 4	72 0 0	2 10½	60 15 0	2 5
600	64 10 0	2 2	53 15 0	1 9½	117 0 0	3 11	105 15 0	3 6½
700	99 0 0	2 10	87 15 0	2 6	162 0 0	4 7½	150 15 0	4 3½
800	135 0 0	3 4½	123 15 0	3 1	207 0 0	5 2	195 15 0	4 10½
900	171 0 0	3 9½	159 15 0	3 6½	252 0 0	5 7	240 15 0	5 4
1,000	207 0 0	4 1½	195 15 0	3 11	297 0 0	5 11½	285 15 0	5 8½
1,250	297 0 0	4 9	285 15 0	4 7	409 10 0	6 6½	398 5 0	6 4½
1,500	387 0 0	5 2	375 15 0	5 0	522 0 0	6 11½	510 15 0	6 9½
2,000	567 0 0	5 8	555 15 0	5 6½	747 0 0	7 5½	735 15 0	7 4½
2,500	842 0 0	6 9	830 15 0	6 8	1,022 0 0	8 2	1,010 15 0	8 1
3,000	1,129 10 0	7 6½	1,118 5 0	7 5½	1,309 10 0	8 9	1,298 5 0	8 8
4,000	1,754 10 0	8 9½	1,743 5 0	8 8½	1,934 10 0	9 8	1,923 5 0	9 7½
5,000	2,429 10 0	9 8½	2,418 5 0	9 8	2,609 10 0	10 5½	2,598 5 0	10 4½
6,000	3,154 10 0	10 6	3,143 5 0	10 5½	3,334 10 0	11 1½	3,323 5 0	11 1
7,000	3,929 10 0	11 2½	3,918 5 0	11 2½	4,109 10 0	11 9	4,098 5 0	11 8½
8,000	4,704 10 0	11 9	4,693 5 0	11 9	4,884 10 0	12 2½	4,873 5 0	12 2
9,000	5,529 10 0	12 3½	5,518 5 0	12 3	5,709 10 0	12 8½	5,698 5 0	12 8
10,000	6,354 10 0	12 8½	6,343 5 0	12 8	6,534 10 0	13 1	6,523 5 0	13 0½
12,000	8,104 10 0	13 6	8,093 5 0	13 6	8,284 10 0	13 9½	8,273 5 0	13 9½
15,000	10,879 10 0	14 6	10,868 5 0	14 6	11,059 10 0	14 9	11,048 5 0	14 9
20,000	15,629 10 0	15 7½	15,618 5 0	15 7½	15,809 10 0	15 9½	15,798 5 0	15 9½
25,000	20,504 10 0	16 5	20,493 5 0	16 4½	20,684 10 0	16 6½	20,673 5 0	16 6½
30,000	25,379 10 0	16 11	25,368 5 0	16 11	25,559 10 0	17 0½	25,548 5 0	17 0½
40,000	35,129 10 0	17 7	35,118 5 0	17 6½	35,309 10 0	17 8	35,298 5 0	17 8
50,000	44,879 10 0	17 11½	44,868 5 0	17 11½	45,059 10 0	18 0½	45,048 5 0	18 0
100,000	93,629 10 0	18 8½	93,618 5 0	18 8½	93,809 10 0	18 9	93,798 5 0	18 9

* Age Relief.—Where the taxpayer (or his wife) is over 65 and his total income does not exceed £500, age relief is given: this reduces the tax payable to that chargeable on the earned income scale. Where the total income slightly exceeds £500, marginal relief is given so that the full tax on the investment income scale is not payable until the marginal relief runs out.

TABLE XI.—INCOME TAX—*continued*

(4) Married Couples with two Children

The Table shows the tax payable by married couples with two children after deduction of the married allowance and allowance for two children and, in the case of earned income, the 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.

Income	Income all Earned Income				Income all Investment Income*			
	Charge for 1949-50		Proposed Charge 1950-51		Charge for 1949-50		Proposed Charge 1950-51	
	Income Tax (and Sur-tax if any)	Effective Rate	Income Tax (and Sur-tax if any)	Effective Rate	Income Tax (and Sur-tax if any)	Effective Rate	Income Tax (and Sur-tax if any)	Effective Rate
£	£ s. d.	s. d.	£ s. d.	s. d.	£ s. d.	s. d.	£ s. d.	s. d.
300	—	—	—	—	—	—	—	—
325	—	—	—	—	3 15 0	— 3	3 2 6	— 2½
350	—	—	—	—	7 10 0	— 5	6 5 0	— 4½
400	3 0 0	— 2	2 10 0	— 1½	22 10 0	1 1½	18 15 0	— 11
500	22 10 0	— 11	18 15 0	— 9	52 10 0	2 1	43 15 0	1 9
600	46 10 0	1 6½	38 15 0	1 3½	90 0 0	3 0	78 15 0	2 7½
700	72 0 0	2 0½	60 15 0	1 9	135 0 0	3 10½	123 15 0	3 6½
800	108 0 0	2 8½	96 15 0	2 5	180 0 0	4 6	168 15 0	4 2½
900	144 0 0	3 2½	132 15 0	2 11½	225 0 0	5 0	213 15 0	4 9
1,000	180 0 0	3 7	168 15 0	3 4½	270 0 0	5 5	258 15 0	5 2
1,250	270 0 0	4 4	258 15 0	4 1½	382 10 0	6 1½	371 5 0	5 11½
1,500	360 0 0	4 9½	348 15 0	4 8	495 0 0	6 7	483 15 0	6 5½
2,000	540 0 0	5 5	528 15 0	5 3½	720 0 0	7 2½	708 15 0	7 1
2,500	815 0 0	6 6	803 15 0	6 5	995 0 0	7 11½	983 15 0	7 10½
3,000	1,102 10 0	7 4	1,091 5 0	7 3½	1,282 10 0	8 6½	1,271 5 0	8 5½
4,000	1,727 10 0	8 7½	1,716 5 0	8 7	1,907 10 0	9 6½	1,896 5 0	9 6
5,000	2,402 10 0	9 7½	2,391 5 0	9 7	2,582 10 0	10 4	2,571 5 0	10 3½
6,000	3,127 10 0	10 5	3,116 5 0	10 4½	3,307 10 0	11 0½	3,296 5 0	11 0
7,000	3,902 10 0	11 2	3,891 5 0	11 1½	4,082 10 0	11 8	4,071 5 0	11 7½
8,000	4,677 10 0	11 8½	4,666 5 0	11 8	4,857 10 0	12 1½	4,846 5 0	12 1½
9,000	5,502 10 0	12 2½	5,491 5 0	12 2½	5,682 10 0	12 7½	5,671 5 0	12 7
10,000	6,327 10 0	12 8	6,316 5 0	12 7½	6,507 10 0	13 0	6,496 5 0	13 0
12,000	8,077 10 0	13 5½	8,066 5 0	13 5½	8,257 10 0	13 9	8,246 5 0	13 9
15,000	10,852 10 0	14 5½	10,841 5 0	14 5½	11,032 10 0	14 8½	11,021 5 0	14 8½
20,000	15,602 10 0	15 7	15,591 5 0	15 7	15,782 10 0	15 9½	15,771 5 0	15 9½
25,000	20,477 10 0	16 4½	20,466 5 0	16 4½	20,657 10 0	16 6½	20,646 5 0	16 6
30,000	25,352 10 0	16 11	25,341 5 0	16 10½	25,532 10 0	17 0½	25,521 5 0	17 0
40,000	35,102 10 0	17 6½	35,091 5 0	17 6½	35,282 10 0	17 7½	35,271 5 0	17 7½
50,000	44,852 10 0	17 11½	44,841 5 0	17 11	45,032 10 0	18 0	45,021 5 0	18 0
100,000	93,602 10 0	18 8½	93,591 5 0	18 8½	93,782 10 0	18 9	93,771 5 0	18 9

* Age Relief.—Where the taxpayer (or his wife) is over 65 and his total income does not exceed £500, age relief is given: this reduces the tax payable to that chargeable on the earned income scale. Where the total income slightly exceeds £500, marginal relief is given so that the full tax on the investment income scale is not payable until the marginal relief runs out.

TABLE XI.—INCOME TAX—*continued*

(5) Married Couples with three Children

The Table shows the tax payable by married couples with three children after deduction of the married allowance and allowance for three children and, in the case of earned income, the 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.

Income	Income all Earned Income				Income all Investment Income*			
	Charge for 1949-50		Proposed Charge 1950-51		Charge for 1949-50		Proposed Charge 1950-51	
	Income Tax (and Sur-tax if any)	Effective Rate	Income Tax (and Sur-tax if any)	Effective Rate	Income Tax (and Sur-tax if any)	Effective Rate	Income Tax (and Sur-tax if any)	Effective Rate
£	£ s. d.	s. d.	£ s. d.	s. d.	£ s. d.	s. d.	£ s. d.	s. d.
360	—	—	—	—	—	—	—	—
375	—	—	—	—	2 5 0	— 1½	1 17 6	— 1
400	—	—	—	—	6 0 0	— 3½	5 0 0	— 3
500	6 0 0	— 3	5 0 0	— 2½	34 10 0	1 4½	28 15 0	1 2
600	28 10 0	— 11½	23 15 0	— 9½	64 10 0	2 2	53 15 0	1 9½
700	52 10 0	1 6	43 15 0	1 3	108 0 0	3 1	96 15 0	2 9
800	81 0 0	2 0½	69 15 0	1 9	153 0 0	3 10	141 15 0	3 6½
900	117 0 0	2 7	105 15 0	2 4	198 0 0	4 5	186 15 0	4 2
1,000	153 0 0	3 0½	141 15 0	2 10	243 0 0	4 10½	231 15 0	4 7½
1,250	243 0 0	3 10½	231 15 0	3 8½	355 10 0	5 8½	344 5 0	5 6
1,500	333 0 0	4 5½	321 15 0	4 3½	468 0 0	6 3	456 15 0	6 1
2,000	513 0 0	5 1½	501 15 0	5 0	693 0 0	6 11	681 15 0	6 10
2,500	788 0 0	6 3½	776 15 0	6 2½	968 0 0	7 9	956 15 0	7 8
3,000	1,075 10 0	7 2	1,064 5 0	7 1	1,255 10 0	8 4½	1,244 5 0	8 3½
4,000	1,700 10 0	8 6	1,689 5 0	8 5½	1,880 10 0	9 5	1,869 5 0	9 4
5,000	2,375 10 0	9 6	2,364 5 0	9 5½	2,555 10 0	10 2½	2,544 5 0	10 2
6,000	3,100 10 0	10 4	3,089 5 0	10 3½	3,280 10 0	10 11	3,269 5 0	10 11
7,000	3,875 10 0	11 1	3,864 5 0	11 0½	4,055 10 0	11 7	4,044 5 0	11 6½
8,000	4,650 10 0	11 7½	4,639 5 0	11 7	4,830 10 0	12 1	4,819 5 0	12 0½
9,000	5,475 10 0	12 2	5,464 5 0	12 1½	5,655 10 0	12 7	5,644 5 0	12 6½
10,000	6,300 10 0	12 7	6,289 5 0	12 7	6,480 10 0	12 11½	6,469 5 0	12 11½
12,000	8,050 10 0	13 5	8,039 5 0	13 5	8,230 10 0	13 8½	8,219 5 0	13 8½
15,000	10,825 10 0	14 5	10,814 5 0	14 5	11,005 10 0	14 8	10,994 5 0	14 8
20,000	15,575 10 0	15 7	15,564 5 0	15 7	15,755 10 0	15 9	15,744 5 0	15 9
25,000	20,450 10 0	16 4½	20,439 5 0	16 4	20,630 10 0	16 6	20,619 5 0	16 6
30,000	25,325 10 0	16 10½	25,314 5 0	16 10½	25,505 10 0	17 0	25,494 5 0	17 0
40,000	35,075 10 0	17 6½	35,064 5 0	17 6½	35,255 10 0	17 7½	35,244 5 0	17 7½
50,000	44,825 10 0	17 11	44,814 5 0	17 11	45,005 10 0	18 0	44,994 5 0	18 0
100,000	93,575 10 0	18 8½	93,564 5 0	18 8½	93,755 10 0	18 9	93,744 5 0	18 9

* Age Relief.—Where the taxpayer (or his wife) is over 65 and his total income does not exceed £500, age relief is given: this reduces the tax payable to that chargeable on the earned income scale. Where the total income slightly exceeds £500, marginal relief is given so that the full tax on the investment income scale is not payable until the marginal relief runs out.

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

Head of Duty						1949-50		1950-51 Estimated Receipts
						Budget Estimate	Receipts (provisional)	
						£000	£000	£000
Spirits	...	...	...	...	C	43,200	39,604	39,400
					E	46,800	58,473	58,600
Total Spirits						90,000	98,077	98,000
Beer	...	...	...	...	C	12,000	13,679	13,350
					E	267,000	263,086	253,900
Total Beer						279,000	276,765	267,250
Wine	...	...	...	...	C	15,400	16,105	16,250
British Wines	...	...	...	...	E	3,600	2,814	2,750
Tea	...	...	...	...	C	250	102	70
Cocoa	...	...	...	...	C	1,000	1,384	1,200
Coffee and Chicory	...	...	...	...	C	500	332	200
Sugar, Molasses, Glucose and Saccharin	...	...	...	...	C	11,700	8,001	7,200
					E	5,300	4,372	3,800
Total Sugar, &c.						17,000	12,373	11,000
Dried Fruits	...	...	...	...	C	700	649	500
Tobacco	...	...	...	...	C	625,000	600,306	590,000
					E	—	254	—
Total Tobacco						625,000	600,560	590,000
Matches and Mechanical Lighters	...	...	...	...	C	4,200	5,137	5,200
					E	8,300	8,149	8,300
Total Matches, &c.						12,500	13,286	13,500
Silk and Artificial Silk	...	...	...	...	C	3,300	4,038	4,200
					E	—	8	—
Total Silk, &c.						3,300	4,030	4,200

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

Head of Duty	1949-50		1950-51 Estimated Receipts
	Budget Estimate	Receipts (provisional)	
	£000	£000	£000
Oil C	63,000	62,545	131,500
Oil, &c.* E	—	3	5,050
Total Oil, &c.	63,000	62,548	136,550
Entertainments E	45,000	44,992	46,000
Liquor Licences— Duties E	4,900	4,983	5,000
Monopoly Values E	3,500	1,822	1,100
Other Licences E	250	279	250
Playing Cards E	60	67	70
Key Industry Duty C	800	1,181	1,000
Duties under Import Duties Act, 1932 C	40,000	48,740	48,000
Ottawa Duties C	6,000	7,186	8,500
Beef and Veal C	2,500	3,406	4,000
Purchase Tax E	250,000	291,730	303,000
Betting E	28,500	26,401	25,000
Other Articles and Deposits C	100	112	80
... .. E	390	187	330
Total Other Articles, &c.	490	299	410
Difference between Payments into Ex- chequer and Actual Receipts C	—	+ 827	—
... .. E	—	— 1,204	—
Total Difference	—	— 377	—
Total Revenue Customs ...	829,650	813,334	870,650
... .. Excise ...	663,600	706,400	713,150
TOTAL	1,493,250	1,519,734	1,583,800

* Includes Excise duties on Power Alcohol, Hydrocarbon Oil, and Petrol Substitutes.

1949-50 OUTTURN AND 1950-51 BUDGET ESTIMATE

TABLE XIII.—Conventional form of Accounts

£ millions

ABOVE THE LINE

Revenue	1949-50		1950-51	Expenditure	1949-50		1950-51
	Estimate	Actual	Estimate		Estimate	Actual	Estimate
Inland Revenue ...	2,086	2,111	2,028	Interest on Debt ...	466	472	470
Customs and Excise ...	1,493	1,520	1,584	Sinking Funds ...	19	19	20
Motor Duties ...	54	56	56	Northern Ireland ...	30	37	36
				Miscellaneous ...	12	10	11
TOTAL TAX REVENUE	3,633	3,687	3,668	TOTAL CONSOLIDATED FUND SERVICES ...	527	538	537
Surplus Stores ...	44	79	35	Supply: Defence ...	760	741	781
Trading Services ...	18	48	85	Civil ...	1,983	2,059	2,102
Broadcast Licences ...	12	12	13	Tax Collection...	38	37	35
Sundry Loans ...	20	20	27	TOTAL SUPPLY ...	2,781	2,837	2,918
Miscellaneous (including Crown Lands) ...	51	78	70	Total Expenditure ...	3,308	3,375	3,455
Total Revenue ...	3,778	3,924	3,898	Surplus ...	470	549	443
	3,778	3,924	3,898		3,778	3,924	3,898

BELOW THE LINE*

Receipts				Payments			
Interest outside Budget...	29	28	33	Interest outside Budget ...	29	28	33
Export Guarantees—Repayments ...	1	1	1	Export Guarantees ...	—	1	5
Housing receipts from Votes ...	20	20	20	Post-war credits ...	18	17	17
Local Authorities—Repayments ...	7	4	8	Excess Profits Tax Refunds	7	15	7
Coal Nationalisation—Repayments ...	5	5	8	War Damage ...	102	111	100
Gift from Australia ...	—	8	—	Do., Public Utility Undertakings ...	62	62	—
				Advances for Housing, &c. ...	8	8	10
Total Receipts ...	62	66	70	Loans to Local Authorities	220	272	279
Net Sum borrowed or met from Surplus ...	456	487	450	Loans for New Towns Development ...	6	5	7
	518	553	520	Loans to Film Corporation	5	4	1
				Town and Country Planning: Issues to Central Land Board ...	5	—	10
Total Receipts ...	3,840	3,990	3,968	Coal Nationalisation—Working Capital, &c. ...	34	15	26
				Overseas Resources—Colonial Development	22	4	8
				Overseas Food ...				11	7
				Armed Forces—Housing	—	—	10
				Total Payments ...	518	553	520
					518	553	520
				Total Payments ...	3,826	3,928	3,975

Overall 1949-50, Estimate +14
1949-50, Actual +62
1950-51, Estimate - 7

* 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.

1949-50 OUTTURN AND 1950-51 BUDGET ESTIMATE

TABLE XIII.—Alternative Classification

£ millions

Receipts	REVENUE ITEMS			Payments	1949-50			1950-51
	Estimate	Actual	Estimate		Estimate	Actual	Estimate	
Tax Revenue	3,633	3,687	3,668	Interest on Debt ...	466	472	470	
Broadcast Licences ...	12	12	13	Interest outside Budget ...	29	28	33	
Sundry Loans (Interest)	9	8	8	Post-war credits	18	17	17	
Miscellaneous (including Crown Lands)	41	52	45	Other Expenditure	2,739	2,780	2,854	
Interest outside Budget...	29	28	33					
Housing receipts from Votes	20	20	20					
Gift from Australia ...	—	8	—					
Total Revenue Receipts	3,744	3,815	3,787	Total Revenue Payments	3,252	3,297	3,374	
				Surplus	492	518	413	
	3,744	3,815	3,787		3,744	3,815	3,787	

LOANS AND OTHER NON-REVENUE ITEMS

Receipts				Payments	1949-50			1950-51
	Estimate	Actual	Estimate		Estimate	Actual	Estimate	
Surplus Stores	44	79	35	Sinking Funds	19	19	20	
Trading Services	18	48	85	Export Guarantees	—	1	5	
Sundry Loans (Principal)	11	12	19	Excess Profits Tax Refunds	7	15	7	
Miscellaneous	10	26	25	War Damage	102	111	100	
Export Guarantees— Repayments	1	1	1	Do., Public Utility Undertakings	62	62	—	
Local Authorities— Repayments	7	4	8	War Damage—Burma ...	—	9	—	
Coal Nationalisation— Repayments	5	5	8	Capital Items in Civil Supply Expenditure ...	77	62	65	
				Loans to Allies, &c., in Civil Supply Expenditure ...	14	18	20	
				Rise in stocks of food, &c.	—3	23	26	
				Argentine Agreement ad- justment	—4	—8	—	
				Advances for Housing, &c.	8	8	10	
				Loans to Local Authorities	220	272	279	
				Loans for New Towns Development	6	5	7	
				Loans to Film Corporation	5	4	1	
				Town and Country Planning: Issues to Central Land Board	5	—	10	
				Coal Nationalisation— Working Capital, &c. ...	34	15	26	
				Overseas Resources— Colonial Development	} 22	{ 4 11	8 7	
				Overseas Food				
				Armed Forces—Housing	—	—	10	
Total Non-Revenue Receipts	96	175	181	Total Non-Revenue Payments	574	631	601	
Excess of Non-Revenue Payments over Receipts	478	456	420					
	574	631	601		574	631	601	
Total Receipts ...	3,840	3,990	3,968	Total Payments ...	3,826	3,928	3,975	

Overall 1949-50, Estimate +14
 1949-50, Actual +62
 1950-51, Estimate — 7

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