

~~TOP SECRET~~

FINANCIAL STATEMENT (1953-54)

RETURN to an Order of the Honourable The House of Commons
dated 14 April, 1953:—*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,
14 April, 1953 } JOHN BOYD-CARPENTER

(Mr. John Boyd-Carpenter)

Ordered by The House of Commons to be Printed
14 April, 1953

LONDON
HER MAJESTY'S STATIONERY OFFICE
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RETURN RELATING TO

1952-53

TABLE I.—Comparison of Exchequer Issues with Estimated Expenditure

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1952-53

TABLE I.—Comparison of Exchequer Issues with Estimated Expenditure

1951-52 Exchequer Issues		1952-53			
		Total Expenditure provided for in the Budget ‡	Supple- mentary, Revised and Excess Votes subsequently granted	Total Estimated Expenditure	Exchequer Issues
	Ordinary Expenditure				
£000	CONSOLIDATED FUND SERVICES	£000	£000	£000	£000
513,599	Interest and Management of National Debt	540,000	—	540,000	576,411*
39,435	Payments to Northern Ireland Exchequer	40,000	—	40,000	44,661†
11,678	Other Consolidated Fund Services	10,000	—	10,000	10,483
564,712	Total	590,000	—	590,000	631,555
	SUPPLY SERVICES				
422,300	Army Votes	491,500	37,731	529,231	525,000
271,300	Navy Votes	332,250	3,000	335,250	333,400
322,300	Air Votes	437,640	—	437,640	421,300
83,000	Ministry of Supply (Defence)	98,480	13,350	111,830	111,830
11,300	Ministry of Defence ...	17,340	—	17,340	12,200
1,110,200	Total Defence	1,377,210	54,081	1,431,291	1,403,730
2,304,403	Civil Votes (excluding Minis- try of Supply (Defence))	2,180,468	139,509	2,319,977	2,230,559
46,944	Customs and Excise, Inland Revenue and balance of Post Office Votes ...	47,884	5,869	53,753	49,520
3,461,547	Total Supply Services ...	3,605,562	199,459	3,805,021	3,683,809
4,026,259	Total Ordinary Expenditure	4,195,562	199,459	4,395,021	4,315,364
27,400	Sinking Funds	35,000	—	35,000	35,227
4,053,659		4,230,562‡	199,459	4,430,021	4,350,591
	Self-Balancing Expenditure				
190,050	Post Office	209,235	—	209,235	209,900
5,525	Excess Profits Tax, Post-war refunds (part deducted for tax)	4,900	—	4,900	5,192
195,575	Total Self-Balancing Expen- diture	214,135	—	214,135	215,092

* In addition £64,153,000 for Interest of the National Debt was met from receipts under various Acts authorising such application.

† This item is made up of:—

(1) £40,317,000, being proceeds of reserved taxes in Northern Ireland after deduction of Imperial Contribution and cost of reserved services in Northern Ireland, estimated as follows:—

	£000
Gross proceeds of reserved taxes	65,500
Add under-issue in 1950-51	649
Less cost of reserved services	5,332
Less Northern Ireland contribution to Imperial services	20,500

(2) £44,000, being issues under the Disabled Persons (Employment) Act, 1944, and the Employment and Training Act, 1948.

(3) £4,300,000, being issues under the Social Services (Northern Ireland Agreement) Act, 1949.

‡ The Budget provided for a net saving in expenditure of about £80 millions resulting from the reduction in food subsidies and increase in benefits, &c. The effect of these proposals on estimated expenditure in 1952-53 is included in the Supplementary and Revised Estimates.

1952-53

TABLE II.—Comparison of Exchequer Receipts with Budget Estimate

1951-52 Exchequer Receipts		1952-53		
		Budget Estimate	Exchequer Receipts	+ Increase or — Decrease
£000	Ordinary Revenue	£000	£000	£000
	INLAND REVENUE			
1,668,749	Income Tax	1,804,225	1,736,233	— 67,992
129,600	Sur-tax	123,000	131,200	+ 8,200
183,000	Death Duties	175,000	151,850	— 23,150
61,900	Stamps	57,500	50,250	— 7,250
	Profits Tax and Excess Profits			
315,400	Tax	452,000	376,100	— 75,900
—	Excess Profits Levy	5,000	2,950	— 2,050
	Special Contribution and other			
3,270	Inland Revenue Duties ...	2,000	2,020	+ 20
2,361,919		2,618,725	2,450,603	— 168,122
	CUSTOMS AND EXCISE			
998,497	Customs	1,043,500	1,024,498	— 19,002
753,285	Excise	772,000	739,093	— 32,907
1,751,782		1,815,500	1,763,591	— 51,909
65,211	MOTOR VEHICLE DUTIES ...	64,150	67,658	+ 3,508
4,178,912	TOTAL RECEIPTS FROM TAXES...	4,498,375	4,281,852	— 216,523
	Surplus Receipts from certain			
75,455	Trading Services	12,000	—	— 12,000
14,150	Broadcast Receiving Licences	15,000	14,800	— 200
25,393	Receipts from Sundry Loans	26,000	24,681	— 1,319
139,482	Miscellaneous (including Sale of Surplus War Stores) ...	110,000	117,382*	+ 7,382
4,433,392	Total Ordinary Revenue ...	4,661,375	4,438,715	— 222,660
	Self-Balancing Revenue			
190,050	Post Office	209,235	209,900	+ 665
5,525	Income Tax deducted from Excess Profits Tax, Post-war refunds	4,900	5,192	+ 292
195,575	Total Self-Balancing Revenue	214,135	215,092	+ 957

* Viz.:—

Surplus Appropriations-in-Aid	£000
Local Loans Fund—Interest on advances under Finance Act, 1935	24,469
Mutual Defence Assistance receipts from United States Government	10,730
Proceeds of sales of materials held as Strategic Reserves	17,887
Other items	16,026
	48,270
	117,382

NOTE: *Post-war Credits*.—The total amount of Income Tax post-war credits outstanding at 31st March, 1953, is about £581 millions.

Refund of Excess Profits Tax.—The total amount of Excess Profits Tax post-war refunds outstanding at the same date is about £15 millions gross or £8 millions after deduction of Income Tax.

1952-53

TABLE III.—EXCHEQUER RECEIPTS AND PAYMENTS, 1952-53

	Receipts	£000
Ordinary Revenue	...	4,438,715
Self-Balancing Revenue	...	215,092
Receipts applicable under various Acts to Interest on the National Debt	...	64,153
Money raised by creation of Debt (Total 779,725):—		
National Savings Certificates	...	159,400
2½ per cent. Defence Bonds	...	58
3 per cent. Defence Bonds	...	11,916
3½ per cent. Defence Bonds	...	59,710
1¾ per cent. Serial Funding Stocks, 1953 and 1954	...	199,522
3 per cent. Serial Funding Stock, 1955	...	114,549
3 per cent. Exchequer Stock, 1960	...	99,500
Treasury Bills (net)	...	132,980
Other Debt under the National Loans Act, 1939 (net)...	...	2,090*
Receipts under the War Risks Insurance Act, 1939 (S. 16 (3))	...	35
Repayments, &c., under:—		
Land Settlement (Facilities) Acts, 1919 and 1921	...	151
Tithe Act, 1936 (S. 26)	...	2,245
Export Guarantees Act, 1949 (S. 3)	...	2,040
Housing (Temporary Accommodation) Act, 1944	...	20,739
Housing (Scotland) Act, 1950 (S. 94 (4))	...	140
Armed Forces (Housing Loans) Act, 1949 (S. 1)	...	84
Local Authorities Loans Act, 1945 (S. 3 (4))	...	17,475
Miscellaneous Financial Provisions Act, 1950 (S. 2 (4)):		
Northern Ireland Exchequer	...	23
New Towns Act, 1946 (S. 12 (5))	...	131
Cinematograph Film Production (Special Loans) Act, 1949 (S. 8 (1))	...	662
Coal Industry Nationalisation Act, 1946 (S. 28 (2))	...	4,295
Cotton (Centralised Buying) Act, 1947 (S. 21 (3))	...	59,328
Overseas Resources Development Act, 1948 (S. 18 (1)):		
Colonial Development	...	250
Miscellaneous Financial Provisions Acts, 1946 and 1950 and Civil Contingencies Fund Act, 1952	...	100,000
European Payments Union (Financial Provisions) Act, 1950 (S. 3)	...	2,200
Suez Canal Drawn Shares	...	193
Exchange Equalisation Account—Repayment of capital	...	300,000
Exchequer Balance on 31st March, 1952	...	3,477
		6,011,153

* Viz.:—

Internal Debt—

	Increase £000	Decrease £000
Bretton Woods Agreement Act, 1945—International Bank and Monetary Fund—Interest Free Notes	—	175
Bank of England (Treasury Special Account)—Interest Free Notes	31,525	—
Loans Free of Interest	—	1,060
Government of India—Agreement of 26th September, 1942	—	2,409
Financial Agreement of 9th July, 1948 (Cmd. 7472)	—	5,450
Government of Pakistan—Financial Agreement of 9th July, 1948 (Cmd. 7479)	—	277
European Payments Union Credit	—	12,741
United States—Sterling Loan under Agreement of 18th July, 1951 (Rhodesia Railways) (Cmd. 8396)	5,000	—
Government of Northern Ireland—Ulster Saving Certificates	—	1,514
Miscellaneous	—	2,912

External Debt—

United States—Government Loan under Agreement of 6th December, 1945 (Cmd. 6708)	—	19,001
M.S.A. Loan under Agreement of 27th March, 1952 (Cmd. 8504)	17,107	—
Government of Canada—Loan under Financial Agreement of 6th March, 1946 (Cmd. 6904)	—	5,259
Loan Free of Interest	—	8,959
Government of Belgium—Loan under Agreement of 30th June, 1952 (Cmd. 8617)	8,929	—
Miscellaneous	—	714

62,561 60,471

2,090

1952-53

TABLE III.—EXCHEQUER RECEIPTS AND PAYMENTS, 1952-53—*continued*

	Payments	£000
Ordinary Expenditure		4,315,364
Sinking Funds		35,227*
Self-Balancing Expenditure		215,092
Interest outside the Permanent Debt Charge—Issues under various Acts		64,153†
Issues for Redemption of Debt (Total 646,117):—		
National Savings Certificates (Principal only)		138,600
2½ per cent. Defence Bonds		35,745
3 per cent. Defence Bonds		92,343
3½ per cent. Defence Bonds		355
1¼ per cent. Serial Funding Stock, 1952		104,739
2½ per cent. National War Bonds, 1951-53		147,466
2½ per cent. Terminable Annuities (National Debt Commissioners)		6,531
3 per cent. Terminable Annuities (National Debt Commissioners)		34,917
3½ per cent. Terminable Annuity (National Debt Commissioners)		1,023
Tax Reserve Certificates (net)		53,773
Ways and Means Advances (net)		30,625
Excess Profits Tax, Post-war refunds (balance after deduction of tax)		6,346
Issue to National Debt Commissioners:—		
Suez Canal Drawn Shares		193
Issues under the following Acts:—		
Tithe Act, 1936—Temporary advances to Redemption Annuities Account		2,230
Export Guarantees Act, 1949—Acquisition of Guaranteed Securities		1,120
Housing (Temporary Accommodation) Acts, 1944 and 1947—Provision of temporary houses		530
Housing (Scotland) Act, 1950—Advances to Scottish Special Housing Association		8,876
Armed Forces (Housing Loans) Act, 1949—Provision of additional Married Quarters for the Armed Forces		6,250
Local Authorities Loans Act, 1945—Issues to Local Loans Fund for loans to Local Authorities		411,600
Miscellaneous Financial Provisions Act, 1950—Northern Ireland Government Loans		8,000
New Towns Acts, 1946 and 1952—Capital advances to Development Corporations		23,700
Cinematograph Film Production (Special Loans) Acts, 1949 and 1950—Advances to National Film Finance Corporation for Loans		1,150
Development of Inventions Act, 1948—For Capital Account of National Research Development Corporation		208
Coal Industry Acts, 1946 to 1951—Advances to National Coal Board for working capital, &c.		40,600
Cotton (Centralised Buying) Act, 1947—Advances to Raw Cotton Commission for working balances		37,007
Overseas Resources Development Act, 1948—		
For Capital Account of Colonial Development Corporation		7,250
Miscellaneous Financial Provisions Act, 1946—		
War Damage Payments—Board of Trade		7,250
War Damage Payments—War Damage Commission		51,000
Town and Country Planning Act, 1947 and Town and Country Planning (Scotland) Act, 1947—Issues to Central Land Board		2,500
Miscellaneous Financial Provisions Acts, 1946 and 1950 and Civil Contingencies Fund Act, 1952—Temporary increase of capital of Fund		100,000
Finance Acts, 1946 and 1947—Repayment of Post-war Credits		15,798
Exchequer Balance on 31st March, 1953		3,592
		6,011,153

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

Specific Sinking Funds:—	£000
Capital of Terminable Annuities	999
4 per cent. Funding Loan Sinking Fund	7,318
3 per cent. Funding Loan Sinking Fund	5,966
3½ per cent. Conversion Loan Sinking Fund	14,512
Victory Bonds Sinking Fund	6,432
Total	35,227

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

TABLE IV.—NATIONAL DEBT

	31st March, 1952	31st March, 1953 (approximate figures)
	£000	£000
2½% Consols, &c.	313,069	313,065
4% Consols, 1957 or after	392,904	390,808
2¼% Funding Loan, 1952-57	100,560	100,560
2½% Funding Loan, 1956-61	805,200	805,200
3% Funding Loan, 1959-69	325,885	318,990
3% Funding Stock, 1966-68	338,292	338,292
4% Funding Loan, 1960-90	278,879	271,414
3½% Conversion Loan, 1961 or after	730,342	711,596
3% National Defence Loan, 1954-58	320,820	320,819
3½% War Loan, 1952 or after	1,910,486	1,910,480
3% War Loan, 1955-59	302,519	302,519
2½% National War Bonds, 1951-53	522,301	570
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	712,677	712,676
3% Savings Bonds, 1960-70	1,024,695	1,024,695
3% Savings Bonds, 1965-75	1,073,140	1,073,139
2½% Savings Bonds, 1964-67	752,550	752,550
2¼% Exchequer Stock, 1955	735,143	735,143
3% Exchequer Stock, 1960	—	100,000
3% Treasury Stock, 1966 or after	58,212	58,212
2½% Treasury Stock, 1975 or after	482,101	482,100
2½% Treasury Stock, 1986-2016	78,457	78,457
3½% Treasury Stock, 1977-80	101,162	158,738
4% Victory Bonds (repayable by annual drawings ending 1976)	246,819	240,513
1¾% Serial Funding Stock, 1952	450,000	—
1¾% Serial Funding Stock, 1953	200,000	577,246
1¾% Serial Funding Stock, 1954	350,000	485,495
3% Serial Funding Stock, 1955	—	523,806
Terminable Annuities	11,969	11,800
3½% Terminable Annuity*	47,556	46,534
3% Terminable Annuities*	1,079,690	1,044,773
2½% Terminable Annuities*	214,617	208,086
3½% Defence Bonds	—	59,355
3% Defence Bonds	625,550	545,680
2½% Defence Bonds	251,670	216,005
National Savings Certificates†	1,725,729	1,747,644
Tax Reserve Certificates	367,812	314,039
Other Debt:		
International Monetary Fund—Interest Free Notes	470,975	471,250
International Bank for Reconstruction and Development—Interest Free Notes	82,125	81,675
Bank of England (Treasury Special Account)—Interest Free Notes	500	32,025
European Payments Union	217,574	204,833
Government of India... ..	152,023	144,163
Government of Pakistan	6,986	6,710
Government of Portugal	81,000	81,000
Miscellaneous	26,905	26,149
Treasury Bills	4,273,095	4,406,625
Ways and Means Advances	337,940	307,315
Deduct:	23,815,718	23,978,532
Victory Bonds, &c., purchased by National Debt Commissioners, but not yet cancelled	93,146	90,889
Total Internal Debt (net)	23,722,572	23,887,643
External Debt:		
United States—Government Loan	1,536,098	1,517,095
E.C.A. and M.S.A. Loans	120,321	137,428
Canadian Government Loans	501,401	489,707
Other Debt (payable in external currency)	10,059	18,274
Total External Debt	2,167,879	2,162,504
Total National Debt (net)	25,890,451	26,050,147

* Issued to National Debt Commissioners.

† Shown at issue price, exclusive of accrued interest amounting approximately to £487 millions at 31st March, 1952, and £510 millions at 31st March, 1953.

TABLE V.—Central and Local Government Expenditure

Year	Expenditure by Central Government			Expenditure by Local Authorities less Government grants †
	Ordinary Expenditure *	Issues under Defence Loans Acts, 1937 and 1939	Total of Columns 2 and 3	
(1)	(2)	(3)	(4)	(5)
	£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	270,915
1947-48	3,212,661	—	3,212,661	313,805
1948-49	3,198,792	—	3,198,792	298,940 ‡
1949-50	3,345,350	—	3,345,350	310,708 ‡
1950-51	3,245,636	—	3,245,636	322,424 ‡
1951-52	4,120,420	—	4,120,420	351,527 ‡
1952-53	4,350,591 §	—	4,350,591	¶377,749 ‡

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

† As measured by rates collected.

‡ Estimated.

§ Exchequer Issues.

¶ Viz., England and Wales £335,000,000, Scotland £42,749,000.

1953-54

TABLE VI.—Comparison of Estimated EXPENDITURE under Budget heads

Service	Budget Estimate 1952-53	Estimate 1953-54	+ Increase or - Decrease
	£000	£000	£000
Ordinary Expenditure			
CONSOLIDATED FUND SERVICES			
Debt Service	575,000	615,000	+ 40,000
Payments to Northern Ireland Exchequer	40,000	48,000	+ 8,000
Other Consolidated Fund Services ...	10,000	10,000	—
TOTAL	625,000	673,000	+ 48,000
SUPPLY SERVICES			
Army Votes	521,500	581,000	+ 59,500
Navy Votes	357,250	364,500	+ 7,250
Air Votes	467,640	548,000	+ 80,360
Ministry of Supply (Defence)	98,480	123,750	+ 25,270
Ministry of Defence	17,340	19,512	+ 2,172
Total Defence	1,462,210	1,636,762	+ 174,552
Less Sterling Counterpart of Economic Aid appropriated-in-aid of Defence Votes	85,000	140,000	- 55,000
	1,377,210	1,496,762	+ 119,552
Civil Votes (excluding Ministry of Supply (Defence))	2,180,468	2,045,288	- 135,180
Customs and Excise, Inland Revenue and balance of Post Office Votes	47,884	44,236	- 3,648
TOTAL SUPPLY SERVICES	3,605,562	3,586,286	- 19,276
Total Ordinary Expenditure	4,230,562	4,259,286	+ 28,724
Less 1952 Budget changes*	80,000	—	+ 80,000
Total, after 1952 Budget changes	4,150,562	4,259,286	+ 108,724
Self-Balancing Expenditure			
Post Office	209,235	224,615	+ 15,380
Excess Profits Tax Post-war refunds (part deducted for tax)	4,900	3,300	- 1,600
Total Self-Balancing Expenditure	214,135	227,915	+ 13,780

* Approximate net figure for reduction of food subsidies and increase in benefits, &c., under the 1952 Budget proposals.

1953-54

TABLE VII.—Classified Statement of Estimated EXPENDITURE

£ million

	Budget Estimate 1952-53		Estimate 1953-54		+ Increase or - Decrease
1. PERMANENT DEBT CHARGE ... ..	...	575.0	615.0	615.0	+ 40.0
2. DEFENCE PREPARATIONS:—					
Army	521.5		581.0		
Navy	357.3		364.5		
Air	467.6		548.0		
Ministry of Supply (defence expenditure)	98.5		123.8		
Ministry of Defence	17.3		19.5		
TOTAL DEFENCE PROGRAMME ...	1,462.2		1,636.8		
<i>Less</i> Sterling Counterpart of Economic Aid appropriated in aid of Defence Votes ...	85.0		140.0		
TOTAL DEFENCE PROGRAMME (net)	1,377.2		1,496.8		
Civil Defence	45.6		42.3		
TOTAL DEFENCE AND CIVIL DEFENCE	1,422.8		1,539.1		
Industrial Capacity (defence) ...	65.1		43.9		
Strategic Reserves	60.8		52.5		
TOTAL DEFENCE PREPARATIONS ...		1,548.7		1,635.5	+ 86.8
3. ASSISTANCE TO LOCAL SERVICES (<i>For details see Table VII (a)</i>) ...		501.6		547.9	+ 46.3
4. HEALTH, INSURANCE, PENSIONS, &C. SERVICES (<i>For details see Table VII (b)</i>)		692.7		782.5	+ 89.8
5. FOOD SUBSIDIES		410.0		221.5	- 188.5
6. OTHER SERVICES:—					
Supply and trading services ...	85.2*		36.8		
General (<i>For details see Table VII (c)</i>)	417.4		420.1		
TOTAL OTHER SERVICES		502.6		456.9	- 45.7
TOTAL ORDINARY EXPENDITURE ...		4,230.6		4,259.3	+ 28.7
<i>Less</i> 1952 Budget changes†		80.0		—	+ 80.0
Total, after 1952 Budget changes		4,150.6		4,259.3	+ 108.7
8. SELF-BALANCING SERVICE:—					
Post Office		209.2		224.6	+ 15.4
Excess Profits Tax, Post-war refunds (part deducted for tax)		4.9		3.3	- 1.6
TOTAL SELF-BALANCING EXPENDITURE		214.1		227.9	+ 13.8

* Including Post Office deficit *after* Budget changes (which reduced the estimated cash deficit from £14.1m. to £4.5m.).

† Approximate net figure for reduction of food subsidies and increase in benefits, etc., under the 1952 Budget proposals.

1953-54

TABLE VII (a).—ASSISTANCE TO LOCAL SERVICES

£ million

	1952-53	1953-54	+ Increase or - Decrease
(a) General grant for Local Services:— Exchequer Contributions to Local Revenue ...	63.7	68.0	+ 4.3
(b) Specific services (in addition to provision included in the first item above):—			
Education and Physical Training (including Teachers' Pensions)* ...	259.1	285.9	+ 26.8
Health Services ...	21.9	22.2	+ 0.3
Housing:—			
(i) Permanent Housing ...	33.9	42.8	+ 8.9
(ii) Temporary Housing ...	21.7	21.6	- 0.1
(iii) Emergency Housing and Miscellaneous Services ...	5.9	5.7	- 0.2
Police ...	34.9	36.1	+ 1.2
Fire Services ...	4.2	4.7	+ 0.5
Roads (including Trunk Roads) ...	33.0	33.2	+ 0.2
Development Areas ...	8.0	8.2	+ 0.2
Child Care ...	9.2	9.9	+ 0.7
Miscellaneous ...	6.1	9.6	+ 3.5
TOTAL ...	501.6	547.9	+ 46.3

* This item includes cost of administration.

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

£ million

	1952-53	1953-54	+ Increase or - Decrease
National Health Service ...	371.5	389.0	+ 17.5
Contributions to National Insurance and Pensions Schemes:—			
National Insurance Fund† ...	67.5	71.4	+ 3.9
National Insurance (Industrial Injuries) Fund ...	6.1	6.7	+ 0.6
National Assistance, &c. ...	77.2	101.6	+ 24.4
Old Age Pensions (non-contributory) ...	22.6	20.6	- 2.0
Family Allowances ...	65.2	104.0	+ 38.8
War Pensions (including Mercantile Marine and Civilians)*	82.6	89.2	+ 6.6
TOTAL ...	692.7	782.5	+ 89.8

* This item includes cost of administration.

† Includes extended unemployment payments.

1953-54

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

							£ million		
							1952-53	1953-54	+ Increase or - Decrease
Agriculture, Fisheries and Forestry*†	...	...	...	...	...	...	39.9	38.5	- 1.4
Broadcasting	...	...	...	...	...	...	16.1	17.0	+ 0.9
Civil Aviation*	...	...	...	...	...	...	12.1	11.4	- 0.7
Civil Superannuation, &c. (other than Defence and Revenue Departments)	...	...	...	...	...	...	8.1	8.9	+ 0.8
Colonial Development and Welfare	...	...	...	...	...	...	14.1	16.5	+ 2.4
Commonwealth and Foreign Services*	...	...	...	...	...	...	83.4	70.9	- 12.5
Employment, Transference, Training and Resettlement*	...	...	...	...	...	...	20.8	19.5	- 1.3
Irish Services	...	...	...	...	...	...	47.9	56.1	+ 8.2
Prisons, &c.*	...	...	...	...	...	...	7.0	7.8	+ 0.8
Research and Development‡	...	...	...	...	...	...	16.0	17.3	+ 1.3
Tax Collection:—									
Customs and Excise	...	...	...	...	...	...	11.1	11.4	+ 0.3
Inland Revenue	...	...	...	...	...	...	31.5	32.0	+ 0.5
Works, Buildings, Stationery and Information Services*	...	...	...	...	...	...	63.1	61.6	- 1.5
Miscellaneous§	...	...	...	...	...	...	46.3	51.2	+ 4.9
TOTAL	...	...	...	...	...	...	417.4	420.1	+ 2.7

* These items include cost of administration.

† Excluding payments forming part of current food subsidies (£20.6 million in 1952-53 Budget Estimate and £35.7 million in 1953-54).

‡ Excluding Ministry of Supply and Defence Departments' expenditure.

§ Including general administration and certain terminal expenditure.

1953-54

TABLE VIII.—Comparison of Estimated RECEIPTS from Revenue in 1953-54 with Exchequer Receipts in 1952-53

On the basis of existing Taxation

	Exchequer Receipts in 1952-53	Estimate for 1953-54 on the basis of existing Taxation	+ Increase or - Decrease
	£000	£000	£000
Ordinary Revenue			
INLAND REVENUE			
Income Tax	1,736,233	1,905,000	+ 168,767
Sur-tax	131,200	127,000	- 4,200
Death Duties	151,850	160,000	+ 8,150
Stamps	50,250	52,000	+ 1,750
Profits Tax and Excess Profits Tax ...	376,100	215,000	- 161,100
Excess Profits Levy	2,950	100,000	+ 97,050
Special Contribution and other Inland Revenue Duties	2,020	1,000	- 1,020
	2,450,603	2,560,000	+ 109,397
CUSTOMS AND EXCISE			
Customs	1,024,498	1,044,300	+ 19,802
Excise	739,093	725,700	- 13,393
	1,763,591	1,770,000	+ 6,409
MOTOR VEHICLE DUTIES	67,658	69,000	+ 1,342
TOTAL RECEIPTS FROM TAXES	4,281,852	4,399,000	+ 117,148
Post Office (Net Receipt)	—	2,685	+ 2,685
Broadcast Receiving Licences	14,800	16,000	+ 1,200
Receipts from Sundry Loans	24,681	25,000	+ 319
Miscellaneous	117,382	95,000	- 22,382
Total Ordinary Revenue	4,438,715	4,537,685	+ 98,970
Self-Balancing Revenue			
Post Office	209,900	224,615	+ 14,715
Income Tax deducted from Excess Profits Tax, Post-war refunds	5,192	3,300	- 1,892
Total Self-Balancing Revenue ...	215,092	227,915	+ 12,823

TABLE IX.—PROPOSED CHANGES IN TAXATION

INLAND REVENUE

INCOME TAX

It is proposed to reduce all the rates of income tax by 6*d.*, the standard rate from 9*s.* 6*d.* to 9*s.* and the reduced rates from 7*s.* 6*d.*, 5*s.* 6*d.* and 3*s.* to 7*s.*, 5*s.* and 2*s.* 6*d.* respectively.

It is proposed to increase the income limit for age relief from £500 to £600.

It is proposed to increase the dependent relative allowance and the housekeeper allowance from £50 to £60.

It is proposed to extend the treatment for taxation purposes of lump sum payments in respect of copyright received by authors of literary and other works to royalty payments receivable within two years of the first publication of the work in question.

It is proposed to amend the law relating to the treatment of partnerships.

It is proposed to allow a business loss to be carried forward for one year and set off against other income.

These changes will operate for the whole of the year but effect will not be given to them so far as they affect P.A.Y.E. before 8th June.

SURTAX

It is proposed that the rates of Surtax for 1952-53, payable on 1st January, 1954 and for 1953-54, payable on 1st January, 1955, shall be the same as those for 1951-52.

INCOME TAX AND PROFITS TAX

It is proposed to restore initial allowances (at the rate of 10 per cent. for industrial buildings, 20 per cent. for plant and machinery and 40 per cent. for mining works), on expenditure incurred after 14th April, 1953.

It is proposed that payments by a company to an associated company to make good a loss shall be treated as an expense of the payer and a trading receipt of the recipient.

It is proposed to allow postponement of capital allowances in certain circumstances which at present lead to a loss of double taxation relief.

It is proposed to treat buildings used in connection with the fishing industry or in connection with husbandry or forestry outside the United Kingdom as industrial buildings.

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

INCOME TAX, PROFITS TAX AND EXCESS PROFITS LEVY

It is proposed that the overriding limitation on the amount of unilateral relief for overseas taxes should be the full amount of the United Kingdom taxes, as against the present limits of three-quarters of the United Kingdom taxes in the case of Commonwealth tax and one-half of the United Kingdom taxes in other cases.

It is proposed to give an option to defer payment of tax in respect of such part of income arising abroad as is shown to be unremittable under local currency regulations so long as this position continues.

It is proposed to give farmers whose livestock has to be slaughtered on account of disease a further opportunity to elect for the herd basis.

EXCESS PROFITS LEVY

It is proposed to repeal the Levy as from 1st January, 1954.

It is proposed to extend the relief for increased output to include certain additional mineral products.

CUSTOMS AND EXCISE

CUSTOMS

Mechanical Lighters.—It is proposed that, with effect from 1st May, 1953, the mechanical lighter duty, whilst remaining chargeable on the importation of complete and incomplete mechanical lighters and lighter bodies, shall not be charged on the importation of other parts of lighters. Such parts will become liable to duty at the appropriate rates under the Import Duties Act, 1932.

EXCISE

Entertainments Duty.—It is proposed to exempt from duty entertainments provided by a society, institution or committee established and conducted for the promotion and furtherance of amateur games or sports and not conducted or established for profit, provided that the entertainment consists solely of games, races or other sports, and none of the participants receives any payment or reward other than reasonable prizes.

It is proposed to extend the scope of the present exemption from duty of amateur theatrical, musical, and similar entertainments under Section 10 of the Finance Act, 1949, so as no longer to exclude entertainments by reason only that payment is made to an instructor, producer, manager, or adviser.

It is proposed to exempt cricket matches from the duty.

These changes will apply to entertainments held after 26th April, 1953.

It is also proposed to modify the method of calculating the entertainments duty on season tickets and other lump sum payments for admission to a series of entertainments all of which take place within a period of one year, so that duty shall be charged as if the cost of the ticket were divided into a number of separate payments proportionate to the values of the separate rights of admission that the ticket confers. This change will apply to entertainments all of which are held after 26th April, 1953.

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

Purchase Tax.—Except in cases where a larger reduction in tax is provided for in the following paragraph, it is proposed that all goods chargeable with tax at the rates of 100 per cent., 66 $\frac{2}{3}$ per cent. and 33 $\frac{1}{3}$ per cent. shall become chargeable respectively at the rates of 75 per cent., 50 per cent. and 25 per cent.

The following changes are proposed in the liability to tax of certain classes of goods:—

Group under 8th Schedule of Finance Act, 1948, in which goods are comprised	Description of goods	Present rate of tax	Proposed rate of tax
18	Batteries and accumulators suitable for use with wireless receiving sets of the domestic or portable type	33 $\frac{1}{3}$ %	Exempt
19	Keyboard musical instruments and parts thereof and accessories thereto	33 $\frac{1}{3}$ % (66 $\frac{2}{3}$ % in the case of player piano records)	Exempt
21	Umbrellas and sunshades	66 $\frac{2}{3}$ %	25%
35	Mechanically propelled passenger tricycles, being road vehicles of not more than 8 cwt. unladen weight	66 $\frac{2}{3}$ %	25%
	Vehicles of a type approved by the Commissioner of Police of the Metropolis as conforming to the conditions of fitness for the time being laid down by him for the purpose of the London Cab Order, 1934	66 $\frac{2}{3}$ %	Exempt
	Electrically propelled goods vehicles at present chargeable with tax in respect of their chassis	33 $\frac{1}{3}$ %	Exempt

It is also proposed to abolish the charge at the highest rate of tax under Group 29 of the tax Schedule on fancy or ornamental articles "which consist of or incorporate figures, or are decorated by hand-painting, or are miniatures of or otherwise imitate other articles." An article at present chargeable at the highest rate under this provision will become chargeable at the new rate of 50 per cent. under Group 29, unless it is within the scope of another Group, when it will be dealt with thereunder.

These changes apply to goods delivered by registered manufacturers and wholesalers, or imported by unregistered persons, after the 14th April, 1953.

MOTOR VEHICLE DUTIES

Vehicles (Excise)—Rate of Duty

It is proposed to reduce from £1 5s. 0d. to 10s. 0d. a year as from 1st January, 1954, the additional tax attracted by the attachment of a side-car to light motor-cycles (up to 250 c.c. cylinder capacity).

TABLE X.—ESTIMATED EFFECT OF CHANGES IN TAXATION

	Estimate for 1953-54	Estimate for a full year
INLAND REVENUE		
	£	£
<i>Income Tax—</i>		
Reduction of 6d. in the standard rate and in each of the reduced rates	- 117,000,000	- 134,000,000
Increase from £500 to £600 in the income limit for age relief	- 1,000,000	- 2,500,000
Increase from £50 to £60 in the dependent relative and housekeeper allowances	- 3,500,000	- 4,250,000
<i>Income Tax and Profits Tax—</i>		
Restoration of initial allowances at 10 per cent. for industrial buildings, 20 per cent. for plant and machinery and 40 per cent. for mining works	Nil	- 84,000,000*
<i>Income Tax, Profits Tax and Excess Profits Levy—</i>		
Removal of limitation on unilateral double taxation relief	- 2,750,000†	- 3,000,000
TOTAL INLAND REVENUE	- 124,250,000	- 227,750,000
CUSTOMS AND EXCISE		
	£	£
<i>Customs—</i>		
Mechanical Lighters	Negligible	Negligible
<i>Excise</i>		
Entertainments Duty	- 220,000	- 230,000
Purchase Tax	- 45,000,000	- 60,000,000
TOTAL EXCISE	- 45,220,000	- 60,230,000
TOTAL CUSTOMS AND EXCISE	- 45,220,000	- 60,230,000
MOTOR VEHICLE DUTIES	Negligible	Negligible
Total	- 169,470,000	- 287,980,000

EXCESS PROFITS LEVY

No figure for the cost of terminating the Excess Profits Levy as from 1st January, 1954, is included in the above table. The revenue of the current year will not be affected and the cost in 1954-55 will be £5,000,000. At current levels of profits the ultimate cost of repeal in a full year is estimated at £125,000,000.

* The cost in 1954-55 will be £50,000,000.

† Divided approximately as follows—

Income Tax	£1,250,000
Profits Tax	£1,000,000
Excess Profits Levy	£500,000

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 1952-53		Proposed Charge 1953-54		Charge for 1952-53		Proposed Charge 1953-54	
	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.
150	—	—	—	—	—	—	—	—
175	2 8 4	— 3½	2 0 3	— 3	2 8 4	— 3½	2 0 3	— 3
200	5 6 8	— 6½	4 8 10	— 5½	5 6 8	— 6½	4 8 10	— 5½
225	8 5 0	— 9	6 17 6	— 7½	8 5 0	— 9	6 17 6	— 7½
250	11 3 4	— 10½	9 6 1	— 9	11 3 4	— 10½	9 6 1	— 9
300	18 13 4	1 3	15 16 8	1 0½	31 3 4	2 1	29 6 1	1 11½
350	29 7 2	1 8	25 11 1	1 5½	50 15 0	2 11	45 0 0	2 7
400	40 1 1	2 0	35 5 6	1 9	67 10 0	3 4½	60 10 0	3 0½
500	63 6 8	2 6½	56 12 2	2 3	105 0 0	4 2½	95 10 0	3 10
600	92 10 0	3 1	83 16 8	2 9½	150 10 0	5 0	138 10 0	4 7½
700	124 2 2	3 6½	113 10 0	3 3	198 0 0	5 8	183 10 0	5 3
800	161 1 1	4 0½	148 10 0	3 8½	245 10 0	6 1½	228 10 0	5 8½
900	198 0 0	4 5	183 10 0	4 1	293 0 0	6 6	273 10 0	6 1
1,000	234 18 10	4 8½	218 10 0	4 4½	340 10 0	6 9½	318 10 0	6 4½
1,250	327 6 1	5 3	306 0 0	4 11	459 5 0	7 4	431 0 0	6 11
1,500	419 13 4	5 7	393 10 0	5 3	578 0 0	7 8½	543 10 0	7 3
2,000	604 7 9	6 0½	568 10 0	5 8	815 10 0	8 2	768 10 0	7 8
2,500	889 5 0	7 1½	841 0 0	6 8½	1,103 0 0	8 10	1,043 10 0	8 4
3,000	1,189 5 0	7 11	1,128 10 0	7 6½	1,403 0 0	9 4	1,331 0 0	8 10½
4,000	1,839 5 0	9 2½	1,753 10 0	8 9	2,053 0 0	10 3	1,956 0 0	9 9½
5,000	2,539 5 0	10 2	2,428 10 0	9 8½	2,753 0 0	11 0	2,631 0 0	10 6½
6,000	3,289 5 0	10 11½	3,153 10 0	10 6	3,503 0 0	11 8	3,356 0 0	11 2
7,000	4,089 5 0	11 8	3,928 10 0	11 2½	4,303 0 0	12 3½	4,131 0 0	11 9½
8,000	4,889 5 0	12 2½	4,703 10 0	11 9	5,103 0 0	12 9	4,906 0 0	12 3
9,000	5,739 5 0	12 9	5,528 10 0	12 3½	5,953 0 0	13 2½	5,731 0 0	12 9
10,000	6,589 5 0	13 2	6,353 10 0	12 8½	6,803 0 0	13 7½	6,556 0 0	13 1½
12,000	8,389 5 0	14 0	8,103 10 0	13 6	8,603 0 0	14 4	8,306 0 0	13 10
15,000	11,239 5 0	15 0	10,878 10 0	14 6	11,453 0 0	15 3	11,081 0 0	14 9½
20,000	16,114 5 0	16 1½	15,628 10 0	15 7½	16,328 0 0	16 4	15,831 0 0	15 10
25,000	20,989 5 0	16 9½	20,378 10 0	16 3½	21,203 0 0	16 11½	20,581 0 0	16 5½
30,000	25,864 5 0	17 3	25,128 10 0	16 9	26,078 0 0	17 4½	25,331 0 0	16 10½
40,000	35,614 5 0	17 9½	34,628 10 0	17 4	35,828 0 0	17 11	34,831 0 0	17 5
50,000	45,364 5 0	18 1½	44,128 10 0	17 8	45,578 0 0	18 3	44,331 0 0	17 9
100,000	94,114 5 0	18 10	91,628 10 0	18 4	94,328 0 0	18 10½	91,831 0 0	18 4½

* Age Relief.—Where the taxpayer is over 65 and his total income does not exceed £600, age relief is given: this reduces the tax payable to that chargeable on the earned income scale. Where the total income exceeds £600, 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 1952-53		Proposed Charge 1953-54		Charge for 1952-53		Proposed Charge 1953-54	
	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.
250	—	—	—	—	—	—	—	—
300	3 10 0	— 3	2 18 4	— 2½	13 10 0	— 11	11 5 0	— 9
350	9 6 8	— 6½	7 15 6	— 5½	26 0 0	1 6	22 10 0	1 3½
400	15 6 1	— 9	12 15 6	— 7½	39 15 0	2 0	35 0 0	1 9
500	36 13 10	1 5½	32 4 5	1 3½	71 5 0	2 10	64 0 0	2 6½
600	58 15 0	1 11½	52 6 8	1 9	108 15 0	3 7½	99 0 0	3 3½
700	87 18 4	2 6	79 11 1	2 3½	155 5 0	4 5	143 0 0	4 1
800	118 6 1	2 11½	108 0 0	2 8½	202 15 0	5 1	188 0 0	4 8½
900	155 5 0	3 5½	143 0 0	3 2	250 5 0	5 6½	233 0 0	5 2
1,000	192 3 10	3 10	178 0 0	3 6½	297 15 0	5 11½	278 0 0	5 6½
1,250	284 11 1	4 6½	265 10 0	4 3	416 10 0	6 8	390 10 0	6 3
1,500	376 18 4	5 0½	353 0 0	4 8½	535 5 0	7 1½	503 0 0	6 8½
2,000	561 12 9	5 7½	528 0 0	5 3½	772 15 0	7 8½	728 0 0	7 3½
2,500	846 10 0	6 9½	800 10 0	6 5	1,060 5 0	8 6	1,003 0 0	8 0½
3,000	1,146 10 0	7 7½	1,088 0 0	7 3	1,360 5 0	9 1	1,290 10 0	8 7
4,000	1,796 10 0	9 0	1,713 0 0	8 7	2,010 5 0	10 0½	1,915 10 0	9 7
5,000	2,496 10 0	10 0	2,388 0 0	9 6½	2,710 5 0	10 10	2,590 10 0	10 4½
6,000	3,246 10 0	10 10	3,113 0 0	10 4½	3,460 5 0	11 6½	3,315 10 0	11 0½
7,000	4,046 10 0	11 6½	3,888 0 0	11 1½	4,260 5 0	12 2	4,090 10 0	11 8
8,000	4,846 10 0	12 1½	4,663 0 0	11 8	5,060 5 0	12 8	4,865 10 0	12 2
9,000	5,696 10 0	12 8	5,488 0 0	12 2½	5,910 5 0	13 1½	5,690 10 0	12 7½
10,000	6,546 10 0	13 1	6,313 0 0	12 7½	6,760 5 0	13 6	6,515 10 0	13 0½
12,000	8,346 10 0	13 11	8,063 0 0	13 5½	8,560 5 0	14 3	8,265 10 0	13 9½
15,000	11,196 10 0	14 11	10,838 0 0	14 5½	11,410 5 0	15 2½	11,040 10 0	14 8½
20,000	16,071 10 0	16 1	15,588 0 0	15 7	16,285 5 0	16 3½	15,790 10 0	15 9½
25,000	20,946 10 0	16 9	20,338 0 0	16 3	21,160 5 0	16 11	20,540 10 0	16 5
30,000	25,821 10 0	17 2½	25,088 0 0	16 8½	26,035 5 0	17 4½	25,290 10 0	16 10½
40,000	35,571 10 0	17 9½	34,588 0 0	17 3½	35,785 5 0	17 10½	34,790 10 0	17 4½
50,000	45,321 10 0	18 1½	44,088 0 0	17 7½	45,535 5 0	18 2½	44,290 10 0	17 8½
100,000	94,071 10 0	18 10	91,588 0 0	18 4	94,285 5 0	18 10½	91,790 10 0	18 4½

* Age Relief.—Where the taxpayer (or his wife) is over 65 and his total income does not exceed £600, age relief is given: this reduces the tax payable to that chargeable on the earned income scale. Where the total income exceeds £600, 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 1952-53		Proposed Charge 1953-54		Charge for 1952-53		Proposed Charge 1953-54	
	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.
275	—	—	—	—	—	—	—	—
300	—	—	—	—	—	—	—	—
350	—	—	—	—	—	—	—	—
400	2 8 4	— 1½	2 0 3	— 1	16 7 6	— 10	13 15 0	— 8
500	14 1 8	— 7	11 14 8	— 5½	43 17 6	1 9	38 15 0	1 6½
600	34 14 2	1 2	30 8 4	1 0	76 17 6	2 7	69 5 0	2 3½
700	56 1 11	1 7	49 17 2	1 5	114 17 6	3 3½	104 15 0	3 0
800	85 4 2	2 1½	77 0 6	1 11	162 7 6	4 0½	149 15 0	3 9
900	114 17 6	2 6½	104 15 0	2 4	209 17 6	4 8	194 15 0	4 4
1,000	151 16 4	3 0½	139 15 0	2 9½	257 7 6	5 2	239 15 0	4 9½
1,250	244 3 7	3 11	227 5 0	3 7½	376 2 6	6 0	352 5 0	5 7½
1,500	336 10 10	4 6	314 15 0	4 2½	494 17 6	6 7	464 15 0	6 2½
2,000	521 5 3	5 2½	489 15 0	4 11	732 7 6	7 4	689 15 0	6 11
2,500	806 2 6	6 5½	762 5 0	6 1	1,019 17 6	8 2	964 15 0	7 8½
3,000	1,106 2 6	7 4½	1,049 15 0	7 0	1,319 17 6	8 9½	1,252 5 0	8 4
4,000	1,756 2 6	8 9½	1,674 15 0	8 4½	1,969 17 6	9 10	1,877 5 0	9 4½
5,000	2,456 2 6	9 10	2,349 15 0	9 5	2,669 17 6	10 8	2,552 5 0	10 2½
6,000	3,206 2 6	10 8	3,074 15 0	10 3	3,419 17 6	11 5	3,277 5 0	10 11
7,000	4,006 2 6	11 5½	3,849 15 0	11 0	4,219 17 6	12 0½	4,052 5 0	11 7
8,000	4,806 2 6	12 0	4,624 15 0	11 6½	5,019 17 6	12 6½	4,827 5 0	12 1
9,000	5,656 2 6	12 7	5,449 15 0	12 1½	5,869 17 6	13 0½	5,652 5 0	12 6½
10,000	6,506 2 6	13 0	6,274 15 0	12 6½	6,719 17 6	13 5½	6,477 5 0	12 11½
12,000	8,306 2 6	13 10	8,024 15 0	13 4½	8,519 17 6	14 2½	8,227 5 0	13 8½
15,000	11,156 2 6	14 10½	10,799 15 0	14 5	11,369 17 6	15 2	11,002 5 0	14 8
20,000	16,031 2 6	16 0½	15,549 15 0	15 6½	16,244 17 6	16 3	15,752 5 0	15 9
25,000	20,906 2 6	16 8½	20,299 15 0	16 3	21,119 17 6	16 11	20,502 5 0	16 5
30,000	25,781 2 6	17 2	25,049 15 0	16 8½	25,994 17 6	17 4	25,252 5 0	16 10
40,000	35,531 2 6	17 9	34,549 15 0	17 3½	35,744 17 6	17 10½	34,752 5 0	17 4½
50,000	45,281 2 6	18 1½	44,049 15 0	17 7½	45,494 17 6	18 2½	44,252 5 0	17 8½
100,000	94,031 2 6	18 9½	91,549 15 0	18 3½	94,244 17 6	18 10	91,752 5 0	18 4

* Age Relief.—Where the taxpayer (or his wife) is over 65 and his total income does not exceed £600, age relief is given: this reduces the tax payable to that chargeable on the earned income scale. Where the total income exceeds £600, 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 1952-53		Proposed Charge 1953-54		Charge for 1952-53		Proposed Charge 1953-54	
	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.
350	—	—	—	—	—	—	—	—
400	—	—	—	—	3 0 0	— 2	2 10 0	— 1½
500	1 6 8	— 0½	1 2 2	— 0½	20 10 0	— 10	17 10 0	— 8½
600	13 0 0	— 5	10 16 8	— 4½	48 0 0	1 7	42 10 0	1 5
700	32 14 5	— 11	28 12 2	— 10	82 10 0	2 4½	74 10 0	2 1½
800	54 2 2	1 4	48 1 1	1 2½	122 0 0	3 0½	111 10 0	2 9½
900	82 10 0	1 10	74 10 0	1 8	169 10 0	3 9	156 10 0	3 5½
1,000	111 13 4	2 3	101 14 5	2 0½	217 0 0	4 4	201 10 0	4 0½
1,250	203 16 1	3 3	189 0 0	3 0½	335 15 0	5 4½	314 0 0	5 0½
1,500	296 3 4	3 11½	276 10 0	3 8	454 10 0	6 0½	426 10 0	5 8
2,000	480 17 9	4 9½	451 10 0	4 6	692 0 0	6 11	651 10 0	6 6
2,500	765 15 0	6 1½	724 0 0	5 9½	979 10 0	7 10	926 10 0	7 5
3,000	1,065 15 0	7 1	1,011 10 0	6 9	1,279 10 0	8 6½	1,214 0 0	8 1
4,000	1,715 15 0	8 7	1,636 10 0	8 2	1,929 10 0	9 8	1,839 0 0	9 2½
5,000	2,415 15 0	9 8	2,311 10 0	9 3	2,629 10 0	10 6	2,514 0 0	10 0½
6,000	3,165 15 0	10 6½	3,036 10 0	10 1½	3,379 10 0	11 3	3,239 0 0	10 9½
7,000	3,965 15 0	11 4	3,811 10 0	10 10½	4,179 10 0	11 11½	4,014 0 0	11 5½
8,000	4,765 15 0	11 11	4,586 10 0	11 5½	4,979 10 0	12 5½	4,789 0 0	11 11½
9,000	5,615 15 0	12 5½	5,411 10 0	12 0½	5,829 10 0	12 11½	5,614 0 0	12 5½
10,000	6,465 15 0	12 11	6,236 10 0	12 5½	6,679 10 0	13 4½	6,439 0 0	12 10½
12,000	8,265 15 0	13 9½	7,986 10 0	13 3½	8,479 10 0	14 1½	8,189 0 0	13 8
15,000	11,115 15 0	14 10	10,761 10 0	14 4	11,329 10 0	15 1½	10,964 0 0	14 7½
20,000	15,990 15 0	16 0	15,511 10 0	15 6	16,204 10 0	16 2½	15,714 0 0	15 8½
25,000	20,865 15 0	16 8½	20,261 10 0	16 2½	21,079 10 0	16 10½	20,464 0 0	16 4½
30,000	25,740 15 0	17 2	25,011 10 0	16 8	25,954 10 0	17 3½	25,214 0 0	16 9½
40,000	35,490 15 0	17 9	34,511 10 0	17 3	35,704 10 0	17 10	34,714 0 0	17 4½
50,000	45,240 15 0	18 1	44,011 10 0	17 7½	45,454 10 0	18 2	44,214 0 0	17 8
100,000	93,990 15 0	18 9½	91,511 10 0	18 3½	94,204 10 0	18 10	91,714 0 0	18 4

* Age Relief.—Where the taxpayer (or his wife) is over 65 and his total income does not exceed £600, age relief is given: this reduces the tax payable to that chargeable on the earned income scale. Where the total income exceeds £600, 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 1952-53		Proposed Charge 1953-54		Charge for 1952-53		Proposed Charge 1953-54	
	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.
400	—	—	—	—	—	—	—	—
500	—	—	—	—	5 5 0	— 2½	4 7 6	— 2
600	— 5 0	—	4 2	—	24 12 6	— 10	21 5 0	— 8½
700	11 18 4	— 4	9 18 7	— 3½	52 2 6	1 6	46 5 0	1 4
800	30 14 8	— 9	26 16 1	— 8	88 2 6	2 2½	79 15 0	2 0
900	52 2 6	1 2	46 5 0	1 0½	129 2 6	2 10½	118 5 0	2 7½
1,000	79 15 10	1 7	71 19 5	1 5½	176 12 6	3 6½	163 5 0	3 3
1,250	163 8 7	2 7½	150 15 0	2 5	295 7 6	4 8½	275 15 0	4 5
1,500	255 15 10	3 5	238 5 0	3 2	414 2 6	5 6½	388 5 0	5 2
2,000	440 10 3	4 5	413 5 0	4 1½	651 12 6	6 6	613 5 0	6 1½
2,500	725 7 6	5 9½	685 15 0	5 6	939 2 6	7 6	888 5 0	7 1½
3,000	1,025 7 6	6 10	973 5 0	6 6	1,239 2 6	8 3	1,175 15 0	7 10
4,000	1,675 7 6	8 4½	1,598 5 0	8 0	1,889 2 6	9 5½	1,800 15 0	9 0
5,000	2,375 7 6	9 6	2,273 5 0	9 1	2,589 2 6	10 4½	2,475 15 0	9 11
6,000	3,125 7 6	10 5	2,998 5 0	10 0	3,339 2 6	11 1½	3,200 15 0	10 8
7,000	3,925 7 6	11 2½	3,773 5 0	10 9½	4,139 2 6	11 10	3,975 15 0	11 4½
8,000	4,725 7 6	11 10	4,548 5 0	11 4½	4,939 2 6	12 4	4,750 15 0	11 10½
9,000	5,575 7 6	12 4½	5,373 5 0	11 11½	5,789 2 6	12 10½	5,575 15 0	12 4½
10,000	6,425 7 6	12 10	6,198 5 0	12 5	6,639 2 6	13 3½	6,400 15 0	12 9½
12,000	8,225 7 6	13 8½	7,948 5 0	13 3	8,439 2 6	14 1	8,150 15 0	13 7
15,000	11,075 7 6	14 9	10,723 5 0	14 3½	11,289 2 6	15 0½	10,925 15 0	14 7
20,000	15,950 7 6	15 11½	15,473 5 0	15 5½	16,164 2 6	16 2	15,675 15 0	15 8
25,000	20,825 7 6	16 8	20,223 5 0	16 2	21,039 2 6	16 10	20,425 15 0	16 4
30,000	25,700 7 6	17 1½	24,973 5 0	16 8	25,914 2 6	17 3½	25,175 15 0	16 9½
40,000	35,450 7 6	17 8½	34,473 5 0	17 3	35,664 2 6	17 10	34,675 15 0	17 4
50,000	45,200 7 6	18 1	43,973 5 0	17 7	45,414 2 6	18 2	44,175 15 0	17 8
100,000	93,950 7 6	18 9½	91,473 5 0	18 3½	94,164 2 6	18 10	91,675 15 0	18 4

* Age Relief.—Where the taxpayer (or his wife) is over 65 and his total income does not exceed £600, age relief is given: this reduces the tax payable to that chargeable on the earned income scale. Where the total income exceeds £600, 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	1952-53		1953-54 Estimate
	Budget Estimate	Receipts (provisional)	
	£000	£000	
Spirits C	32,500	28,684	28,000
... .. E	75,500	74,751	75,000
Total Spirits	108,000	103,435	103,000
Beer C	12,500	12,565	12,500
... .. E	252,500	243,435	237,500
Total Beer	265,000	256,000	250,000
Wine C	17,500	16,160	16,500
British Wine E	3,300	2,951	3,000
Tea C	150	157	250
Cocoa C	1,200	1,239	1,200
Coffee and Chicory C	250	202	200
Sugar, Molasses, Glucose and Saccharin C	7,500	7,877	7,000
... .. E	5,000	4,457	4,000
Total Sugar, &c.	12,500	12,334	11,000
Dried Fruits C	300	615	400
Tobacco C and E	605,000	616,775	615,000
Matches and Mechanical Lighters C	4,500	3,123	3,000
... .. E	8,500	9,081	9,000
Total Matches, &c.	13,000	12,204	12,000
Silk C and E	4,500	1,698	4,000

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

Head of Duty	1952-53		1953-54 Estimate
	Budget Estimate	Receipts (provisional)	
	£000	£000	£000
Oil C	263,000	263,182	276,500
Oil, &c. E	8,000	11,154	13,500
Total Oil, &c.	271,000	274,336	290,000
Entertainments E	47,000	44,160	43,530
Liquor Licences— Duties E	5,000	5,099	5,150
Monopoly Values E	800	746	550
Other Licences E	200	220	200
Playing Cards E	70	50	50
Key Industry Duty C	2,500	1,817	1,750
Duties under Import Duties Act, 1932 C	80,000	64,852	70,000
Ottawa Duties C	10,000	4,541	6,000
Beef and Veal C	2,000	1,255	2,000
Purchase Tax E	340,000	314,482	260,000
Betting E	26,000	28,628	29,000
Other Articles and Deposits C	100	-443	—
... .. E	130	62	—
Total Other Articles, &c.	230	-381	—
Difference between payments into Exchequer and actual receipts C	—	+200	—
... .. E	—	-184	—
Total Difference	—	+16	—
Total Revenue Customs ...	1,043,500	1,024,498	1,044,300
... .. Excise ...	772,000	739,093	680,480
TOTAL	1,815,500	1,763,591	1,724,780

1952-53 OUTTURN AND 1953-54 BUDGET ESTIMATE

TABLE XIII.—Alternative Classification

(before 1953-54 taxation changes)

£ millions

Receipts	REVENUE ITEMS			Payments	1952-53		1953-54
	Estimate	Outturn	Estimate		Estimate	Outturn	Estimate
Tax Revenue	4,498	4,282	4,399	Interest on Debt ...	540	577	580
Broadcast Licences ...	15	15	16	Interest outside Budget ...	61	64	88
Sundry Loans (Interest)	8	8	8	Post-war Credits... ..	17	16	16
Miscellaneous	47	41	45	Other Expenditure ...	3,453	3,499	3,465
Interest outside Budget...	61	64	88	Total Revenue Payments	4,071	4,156	4,149
Housing receipts from Votes	21	21	21	<i>Less 1952 Budget changes*</i>	80	—	—
Total Revenue Receipts	4,650	4,431	4,577	Total, after 1952 Budget changes	3,991	4,156	4,149
				Surplus	659	275	428
	4,650	4,431	4,577		4,650	4,431	4,577

LOANS AND OTHER NON-REVENUE ITEMS

Receipts				Payments			
Trading Services and Post Office (Net Receipt)...	12	—	2	Sinking Funds	35	35	35
Sundry Loans (Principal)	18	17	17	Export Guarantees ...	1	1	1
Miscellaneous	63	76	50	Excess Profits Tax Refunds	6	6	4
Export Guarantees— Repayments	2	2	2	War Damage	70	58	80
Local Authorities— Repayments	16	17	20	Capital and Loan, &c., Items in Supply Expen- diture	157	183	205
Raw Cotton Commission: Repayments	—	22	10	Change in trading stocks, &c.	— 7	— 11	— 74
Coal Nationalisation— Repayments	4	4	4	Stockpiling of Strategic Reserves	53	68	48
Film Corporation— Repayments	1	1	1	Scottish Special Housing Armed Forces—Housing	7	9	9
Other repayments ...	1	1	1	Loans to Local Authorities	13	6	7
				Loans to Northern Ireland	360	412	400
				Exchequer	6	8	4
				Loans for New Towns Development	23	24	34
				Loans to Film Corporation	1	1	1
				Town and Country Planning: Issues to Central Land Board	6	3	1
				Coal Nationalisation— Working Capital, &c. ...	16	41	43
				Raw Cotton Commission— Working Capital	14	—	—
				Overseas Resources— Colonial Development	11	7	8
Total Non-Revenue Receipts	117	140	107	Total Non-Revenue Payments	772	851	806
Excess of Non-Revenue Payments over Receipts	655	711	699				
	772	851	806		772	851	806
Total Receipts ...	4,767	4,571	4,684	Total Payments ...	4,763	5,007	4,955

* Approximate net figure for reduction of food subsidies and increase in benefits &c. under the 1952 Budget proposals.

1952-53 OUTTURN AND 1953-54 BUDGET ESTIMATE

TABLE XIV.—Conventional form of Accounts
(after 1953-54 taxation changes)

£ millions

Revenue		ABOVE THE LINE		Expenditure		1952-53		1953-54	
		Outturn	Estimate			Outturn	Estimate		
Inland Revenue ... ..	...	2,451	2,436	Interest on Debt ... ..	...	577	580		
Customs and Excise ... ..	...	1,763	1,725	Sinking Funds ... ..	...	35	35		
Motor Duties ... ..	...	68	69	Northern Ireland ... ..	...	45	48		
TOTAL TAX REVENUE ... ..	...	4,282	4,230	Miscellaneous ... ..	...	10	10		
				TOTAL CONSOLIDATED FUND SERVICES ... ..	...	667	673		
Post Office (Net Receipt) ... ..	...	—	2	Supply: Defence ... ..	...	1,404	1,497		
Broadcast Licences ... ..	...	15	16	Civil ... ..	...	2,231	2,045		
Sundry Loans ... ..	...	25	25	Tax Collection ... ..	...	49	44		
Miscellaneous ... ..	...	117	95	TOTAL SUPPLY ... ..	...	3,684	3,586		
Total Revenue ... ..	...	4,439	4,368	Total Expenditure ... ..	...	4,351	4,259		
				Surplus ... ..	...	88	109		
		4,439	4,368			4,439	4,368		
Receipts		BELOW THE LINE*		Payments		1952-53		1953-54	
		Outturn	Estimate			Outturn	Estimate		
Interest outside Budget ... ..	...	64	88	Interest outside Budget ... ..	...	64	88		
Export Guarantees—				Export Guarantees ... ..	...	1	1		
Repayments ... ..	...	2	2	Post-war Credits ... ..	...	16	16		
Housing receipts from Votes ... ..	...	21	21	Excess Profits Tax Refunds ... ..	...	6	4		
Local Authorities—				War Damage ... ..	...	58	80		
Repayments ... ..	...	17	20	Scottish Special Housing ... ..	...	9	9		
Raw Cotton Commission—				Armed Forces—Housing ... ..	...	6	7		
Repayments ... ..	...	22	10	Loans to Local Authorities ... ..	...	412	400		
Coal Nationalisation—				Loans to Northern Ireland					
Repayments ... ..	...	4	4	Exchequer ... ..	...	8	4		
Film Corporation—				Loans for New Towns Develop-	...	24	34		
Repayments ... ..	...	1	1	ment ... ..	...	1	1		
Other repayments ... ..	...	1	1	Loans to Film Corporation ... ..	...	3	1		
Total Receipts ... ..	...	132	147	Town and Country Planning—	...				
Net Sum borrowed or met from				Issues to Central Land Board	...	41	43		
Surplus ... ..	...	524	549	Coal Nationalisation—	...	7	8		
				Working Capital, &c. ... ..	...			
		656	696	Overseas Resources—	...				
Total Receipts ... ..	...	4,571	4,515	Colonial Development ... ..	...			
				Total Payments ... ..	...	656	696		
				Total Payments ... ..	...	5,007	4,955		

* 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.

1952-53 OUTTURN AND 1953-54 BUDGET ESTIMATE

TABLE XIV.—Alternative Classification

(after 1953-54 taxation changes)

£ millions

REVENUE ITEMS									
Receipts	1952-53		1953-54		Payments	1952-53		1953-54	
	Outturn	Estimate	Outturn	Estimate		Outturn	Estimate		
Tax Revenue	4,282	4,230	4,282	4,230	Interest on Debt	577	580	577	580
Broadcast Licences	15	16	15	16	Interest outside Budget	64	88	64	88
Sundry Loans (Interest)	8	8	8	8	Post-war Credits	16	16	16	16
Miscellaneous	41	45	41	45	Other Expenditure	3,499	3,465	3,499	3,465
Interest outside Budget	64	88	64	88					
Housing receipts from Votes	21	21	21	21					
					Total Revenue Payments	4,156	4,149	4,156	4,149
Total Revenue Receipts	4,431	4,408	4,431	4,408	Surplus	275	259	275	259
	4,431	4,408	4,431	4,408		4,431	4,431	4,408	4,408

LOANS AND OTHER NON-REVENUE ITEMS

Receipts			Payments		
Post Office (Net Receipt)	—	2	Sinking Funds	35	35
Sundry Loans (Principal)	17	17	Export Guarantees	1	1
Miscellaneous	76	50	Excess Profits Tax Refunds	6	4
Export Guarantees—			War Damage	58	80
Repayments	2	2	Capital and Loan, etc., Items in		
Local Authorities—			Supply Expenditure	183	205
Repayments	17	20	Change in trading stocks, &c.	— 11	— 74
Raw Cotton Commission—			Stockpiling of Strategic Reserves	68	48
Repayments	22	10	Scottish Special Housing	9	9
Coal Nationalisation—			Armed Forces—Housing	6	7
Repayments	4	4	Loans to Local Authorities	412	400
Film Corporation—			Loans to Northern Ireland		
Repayments... ..	1	1	Exchequer	8	4
Other repayments	1	1	Loans for New Towns Develop-		
			ment	24	34
			Loans to Film Corporation	1	1
			Town and Country Planning—		
			Issues to Central Land Board	3	1
			Coal Nationalisation—		
			Working Capital, &c.	41	43
			Overseas Resources —		
			Colonial Development	7	8
Total Non-Revenue Receipts	140	107	Total Non-Revenue Payments	851	806
Excess of Non-Revenue					
Payments over Receipts	711	699			
	851	806		851	806
Total Receipts	4,571	4,515	Total Payments	5,007	4,955

B.—SELF-BALANCING REVENUE AND EXPENDITURE

											£000
Post Office Revenue required to meet Post Office expenditure	224,615
Excess Profits Tax, Post-war refunds (part deducted for tax)	3,300
											<hr/>
											227,915
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