TABLE 6.—*Government receipts and expenditures*

[In billions of dollars]

| | Actual 1965 | Projection A 1970 | Projection A 1975 | Projection B 1970 | Projection B 1975 |
|---|---|---|---|---|---|
| FEDERAL GOVERNMENT | | | | | |
| Receipts | 124.9 | 187.0 | 277.0 | 179.1 | 246.9 |
| Personal tax and nontax receipts | 54.2 | 84.0 | 132.7 | 80.4 | 120.5 |
| Corporate profits tax accruals | 29.1 | 42.6 | 60.6 | 39.6 | 47.3 |
| Indirect business tax and nontax accruals | 16.8 | 17.7 | 24.1 | 17.2 | 22.2 |
| Contributions for social insurance | 24.8 | 42.7 | 59.6 | 41.9 | 56.9 |
| Expenditures | 123.4 | 169.4 | 222.8 | 163.8 | 203.1 |
| Purchases of goods and services | 66.8 | 79.0 | 93.1 | 76.9 | 88.3 |
| Transfer payments | 32.4 | 54.3 | 76.5 | 53.3 | 71.6 |
| To persons | 30.3 | 51.9 | 73.9 | 50.9 | 69.0 |
| To foreigners (net) | 2.2 | 2.4 | 2.6 | 2.4 | 2.6 |
| Grants-in-aid to State and local governments | 11.2 | 20.0 | 35.0 | 17.5 | 25.0 |
| Net interest paid | 8.7 | 11.1 | 12.6 | 11.1 | 12.6 |
| Subsidies less current surplus of government enterprises | 4.2 | 5.0 | 5.6 | 5.0 | 5.6 |
| Surplus or deficit(−), national income and product accounts | 1.6 | 17.6 | 54.2 | 15.3 | 43.8 |
| STATE AND LOCAL GOVERNMENT | | | | | |
| Receipts | 75.3 | 116.8 | 177.2 | 111.0 | 156.0 |
| Personal tax and nontax receipts | 11.8 | 20.9 | 36.3 | 19.9 | 32.4 |
| Corporate profits tax accruals | 2.0 | 3.1 | 4.5 | 2.9 | 3.5 |
| Indirect business tax and nontax accruals | 45.8 | 66.0 | 91.7 | 64.2 | 86.0 |
| Contributions for social insurance | 4.5 | 6.8 | 9.7 | 6.5 | 9.1 |
| Federal grants-in-aid | 11.2 | 20.0 | 35.0 | 17.5 | 25.0 |
| Expenditures | 73.7 | 116.9 | 172.2 | 112.2 | 155.6 |
| Purchases of goods and services | 69.4 | 111.8 | 166.3 | 107.1 | 149.7 |
| Transfer payments to persons | 6.9 | 8.7 | 10.5 | 8.7 | 10.5 |
| Net interest paid | .6 | .6 | .6 | .6 | .6 |
| Less: Current surplus of government enterprises | 3.2 | 4.2 | 5.2 | 4.2 | 5.2 |
| Surplus or deficit(−), national income and product accounts | 1.6 | −.1 | 5.0 | −1.2 | .4 |

Source: Department of Commerce, Office of Business Economics, and staff, Joint Economic Committee.

## NOTES

Personal taxes—
    Federal—Relation to personal income less transfers for selected quarters of 1964–66.
    State and local—log Y = −3.574 + 1.727 log (personal income less transfers) (60–65).
Corporation profits taxes—
    Federal—Trend of ratio to profits before taxes.
    State and local—Trend of ratio to profits before taxes.
Indirect business taxes—See table 5 notes.
Contributions for social insurance—See table 7 notes.
Federal grants-in-aid—
    For assumption A, same average percentage increase 65–75 as in 60–65.
    For assumption B, somewhat larger average absolute increase than 62–65.
Purchases of goods and services—See table 4 notes.
Transfer payments to persons—See table 7 notes.
Transfer payments to foreigners—Trend.
Net interest paid—
    Federal—Relation to gross Federal debt (held at $335 billion); slow rise in interest rates.
    State and local—arbitrary.
Subsidies less current surplus of government enterprises—Table 5 notes.