Table 5. Commerce and Transportation

Tax expenditures (in millions of dollars)	1968
Investment credit	2,300
Excess depreciation on buildings	500
Dividend exclusion	225
Capital gains: Corporations (other than Agricultural and Natural Resources)	500
Excess bad debt reserves of financial institutions	600
Exemption of credit unions	40
Deductibility of interest on consumer credit	1,300
Expensing of research and development expenditures	500
$25,000 surtax exemption	1,800
Deferral of tax on shipping companies	10
Total	7,775 1/

Budget outlays plus tax expenditures (in billions of dollars)

	1968	1969	1970
Budget outlays:			
Expenditures	7.8	8.1	8.9
Net lending	0.2	*	0.1
Total	8.0	8.1	9.0
Tax expenditures	7.8	9.2	9.7
Total budget outlays plus tax expenditures	15.8	17.3	18.7
Tax expenditures as percent of budget outlays	98%	114%	108%

1/ The revenue cost for 1968 under this category differs from that in Exhibit 29 of the Secretary's Annual Report due to the exclusion of capital gains - individual and its presentation as a separate item in this revised analysis.

*Less than $50 million.