

## WAR-TAX REVENUE.

## L E T T E R

FROM

## THE SECRETARY OF THE TREASURY,

TRANSMITTING,

IN RESPONSE TO A SENATE RESOLUTION OF OCTOBER 8 (CALENDAR DAY, OCTOBER 9), 1914, AN ESTIMATE OF THE AMOUNT OF REVENUE THAT WILL BE RAISED BY H. J. 18891.

OCTOBER 8 (calendar day, OCTOBER 14), 1914.—Referred to the Committee on Finance and ordered to be printed.

TREASURY DEPARTMENT,  
OFFICE OF THE SECRETARY,  
Washington, October 13, 1914.

The PRESIDENT OF THE SENATE.

SIR: In compliance with Senate resolution of October 8 (calendar day, October 9), 1914, I have the honor to submit herewith an estimate in detail of the amount of revenue that will be raised by H. R. 18891 as amended by the Senate Committee on Finance and reported to the Senate on October 8, 1914.

The estimate submitted covers collections to be made for one year.

From—		
Fermented liquors .....		\$43,795,000
Rectified spirits .....		5,000,000
Wines—		
Sweet .....	\$4,960,000	
Dry .....	3,260,000	
		<u>8,220,000</u>
Total .....		<u>57,015,000</u>
Special taxes:		
Bankers .....		4,800,000
Pawnbrokers .....		250,000
Brokers—		
Commercial .....		250,000
Customhouse .....		12,000
Total .....		<u>4,812,000</u>

<b>Proprietors of—</b>		
Theaters, museums, concert halls—		
Motion picture.....	\$750,000	
All others.....	250,000	
		<u>\$1,000,000</u>
Circuses.....		15,000
Other public exhibitions.....		150,000
Bowling alleys.....		75,000
Billiard and pool rooms.....		600,000
Commission merchants.....		300,000
		<u>2,140,000</u>
<b>Tobacco:</b>		
Dealers in leaf.....		100,000
Dealers in tobacco n. s. p. f.....		4,800,000
Manufacturers of tobacco.....		47,000
Manufacturers of cigars.....		860,000
Manufacturers of cigarettes.....		11,000
		<u>5,318,000</u>
<b>Schedule A:</b>		
Bonds, debentures, etc.....		4,000,000
Certificates of stock, issues, transfers, etc.....		8,000,000
Sales of products at exchanges.....		1,500,000
Promissory notes.....		4,500,000
Express bills of lading, etc.....		1,000,000
Freight bills of lading, etc.....		700,000
Telegraph messages.....		1,000,000
Telephone messages.....		500,000
Bonds, indemnifying.....		400,000
Certificates of profit, etc., and certificates n. o. s.....		300,000
Brokers' contracts.....		150,000
Conveyances.....		4,500,000
Entries of goods at customhouses for consumption and warehousing.....	\$290,000	
Entries for warehousing for withdrawal.....	310,000	
		<u>600,000</u>
<b>Insurance—</b>		
Marine, inland, fire.....		2,500,000
Casualty, fidelity, guaranty.....		1,000,000
Passage tickets.....		100,000
<b>Powers of attorney—</b>		
Proxy, for voting.....	\$25,000	
To sell real estate, etc.....	175,000	
		<u>200,000</u>
Protests.....		40,000
		<u>30,980,000</u>
Sleeping-car berths and parlor-car seats.....		<u>125,000</u>
<b>Schedule B:</b>		
Medicinal proprietary articles and preparations.....		2,000,000
Perfumery, cosmetics, etc.....		2,000,000
Chewing gum.....		3,000,000
		<u>7,000,000</u>
<b>SUMMARY.</b>		
Additional tax on fermented liquors and tax on rectified spirits and wines.....		57,015,000
Special taxes on bankers and brokers.....		4,812,000
Theaters, circuses, bowling alleys, billiard and pool rooms, and commission merchants.....		2,140,000

Dealers in and manufacturers of tobacco, cigars, and cigarettes..	\$5,318,000
Schedule A.....	30,900,000
Sleeping car and parlor car.....	125,000
Schedule B.....	7,000,000
Grand total.....	107,400,000

The foregoing estimate includes an estimate of additional tax on fermented liquor based upon the quantity tax paid during the fiscal year 1914. During the months of July and August last the decrease in the quantity of fermented liquor tax paid as compared with the same months in the previous year was 1,494,398 barrels. If the same ratio of decrease continues, the additional revenue from this source for a year would be \$14,901,714 less than is shown on a basis of the fiscal year 1914 tax payments. It will thus be seen that on a basis of the quantity of fermented liquor tax paid during July and August, 1914, the estimate of the revenue that will be raised by the bill will be \$92,498,286 instead of \$107,400,000.

Respectfully,

W. G. McADOO, *Secretary.*

