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TRENDS IN KANSAS STATE
GOVERNMENTAL REVENUE RECEIPTS
AND EXPENDITURES, 1880 - 1934

being

A Thesis Presented to the Graduate Faculty in
Partial Fulfillment for the Degree of
Master of Science

by

Vernon Thomas Clover, B. S.
Fort Hays Kansas State College

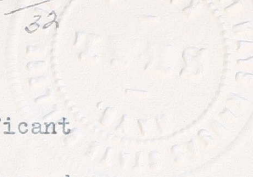
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Chairman Graduate Council

Fort Hays Kansas State College
1936



gift

Vernon Thomas Clover

The main purpose of this thesis is to point out the significant trends in governmental revenue receipts and expenditures in Kansas during the period from 1880 through 1934. Especial attention is given to the state government as opposed to the local governments. The discussion in connection with the latter is confined to property tax levies, expenditures for roads, streets and bridges, and for education. Few new or startling facts are presented. The trends shown, however, are based upon definite statistics and therefore give the conclusions that are drawn the element of accuracy which has usually been lacking in the popular generalizations about the trends in public finance. The statistical tables in the appendix contain much data about governmental finances that are not discussed in the body of the thesis. These tables were prepared to furnish general information about various financial conditions of government in Kansas.

The author wishes to acknowledge the indispensable advice and guidance given by his teacher and friend, Dr. Ernest Ray McCartney. I am also greatly indebted to Dr. Floyd B. Streeter for the numerous times that he obtained for my use needed reference materials.

Vernon T. Clover

Hays, Kansas

July, 1935

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The Increase in the Kansas Tax Burden

This study of trends in the tax burdens in Kansas covers the period from 1880 to 1934. Kansas in 1880 was a well established commonwealth, having acquired during its nineteen years of statehood, a population of some 996,000 hardy pioneers. If this study had gone back twenty years to 1860, the comparative figures would not have been so reliable in establishing actual trends because every new state will be very likely to go thru an exceedingly rapid period of growth which will distort the statistics which are used to show the trends in its growth and the changes in its tax burdens.

Kansas has had a relatively slow increase in population since 1880. In that year the population was 995,966 and by 1889 it had increased to 1,464,914; but this was much the greatest rate of increase that occurred for any decade during the fifty-five year period to 1935. In 1895 the total had decreased 130,000 to 1,334,734. In some of the older sections there are fewer people today than sixty years ago. The writer was told not long ago by an old-time cattleman in the Flint Hills (now called the 'blue stem' region) that fewer people lived there than in 1875. The early settlers took up every 160 acres for a homestead in many parts of this cattle grazing section in central southern Kansas, only to discover later that these were not satisfactory crop lands.

Since 1895 there has been a slow increase that brought the all time high of 1,880,990 in 1930. Since 1930 the population has fallen off twenty or thirty thousand.

This outline of the growth of population is cited merely to show that this state has not experienced any phenomenal growth such as has occurred in states in which gold or some other population luring mineral has been

discovered.

The growth of the tax burden in Kansas has been somewhat greater than the increase in population, but nevertheless it has been relatively slow and conservative. However, there have been periods of years during which the tax burden has increased at such a rapid rate that this parallel would not hold in any sense. At no time except during the years 1890 to 1900 has the growth of population tended to keep pace with the growth of the tax burden. In 1890 the total amount of taxes per capita levied for all purposes within the state was \$9.17; in 1895 the figure was \$9.76, and in 1900 it was \$9.38.¹ These years cover a decade which brought an economic depression, and consequently some retrenchment in governmental expenditures was to be expected. By 1905 the per capita tax had risen to \$11.57; in 1910 it was \$14.45; in 1915, \$20.24; in 1920, \$38.37; and in 1921 a high of \$42.37 was reached. The depression of 1921 and 1922 caused a slight recession in the per capita tax burden, but the upward trend was resumed in 1924 and another high of \$51.70 was reached in 1929. A decline set in the next year, and by 1933 the per capita property tax burden had fallen to \$34.80. During these five years (1929-33) the assessed valuation fell from \$3,813,034,125 in 1929 to \$2,716,102,723 in 1933, a decrease of 28.8% in comparison with a decrease of 32.7% in the total property taxes levied.

The property owner according to these data appears to have had his tax burden lightened. The author does not intend to leave the impression that this was necessarily the case. Undervaluation of large holdings of property, over valuation of small holdings and the ability of some owners of large amounts of property to bargain with the tax collecting authorities, all may be operating to really increase the burdensomeness of the property tax as it concerns the average tax payer. Also the income from real estate does not

¹ Report of the Kansas Tax Code Commission, page 165, submitted to the Governor, December 1, 1929.

necessarily conform to its assessed valuation during any one year or period of two or three years. Two or three seasons of crop failures or of ruinously low wheat prices in western Kansas, for example, are not entirely reflected in the assessed valuation for land in that section of the state. The data cited, nevertheless probably do show a trend even though it is subject to many exceptions.

Table I

Trends in the Tax Burden in Kansas, 1880 - 1934

	1	2	3	4
Year	Amount of Tax Per Capita Levied Upon Property By All Governmental Units in State	Amount of Tax Per \$1000 of Assessed Wealth	Amount of State Tax Per \$1000 of Assessed Wealth	Amount of State Governmental Expenses Per Capita [Ⓒ]
1880	5.73	35.49	5.50	1.51
1890	9.17	38.55	4.25	1.77
1900	9.38	41.22	5.50	1.54
1905	11.57	46.13	5.70	1.78
1910	14.45	8.91 [‡]	1.05 [‡]	2.12
1915	20.24	11.73		3.17
1920	38.22	17.58	1.40	5.23
1925	43.84	22.18	2.57	7.23
1928	50.24	24.77	2.02	13.95
1929	51.70	25.09	1.95	
1930	49.90	25.48	2.00	23.48
1931	46.40	23.49	1.87	19.54
1932	39.30	21.82	1.86	18.76
1933	34.80	23.48	2.49	16.73
1934			1.93	15.99

Source: Compiled from data shown in Table I in the Appendix

[‡] The radical changes in columns 2 and 3 between 1905 and 1910 are due to the fact that a change in assessing methods occurred. Property in 1910 and thereafter was assessed more nearly at its full cash value as is required by law than was the practice in 1905 and before. These two periods therefore are not comparable as far as columns 2 and 3 in the above table are concerned. The periods of 1880 to 1905 and 1910 to 1934, must therefore be considered separately.

^① Excludes expenses of local governmental units.

Table I gives figure showing the increase in the tax burden. Columns 1 and 4 were prepared for the purpose of securing comparable data for the whole period from 1880 to 1934. Columns 2 and 3 show a more nearly true picture of the actual growth of the burdensomeness of taxes, than is possible in columns 1 and 4. Taxes can be paid over a long period of time out of two things only, either wealth or income. When the local assessors and finally the state tax commission determine the assessed valuation of property, they inevitably attempt to make their valuations conform to a reasonable capitalization of the income over a long term; realized and realizable from the property concerned. However even though the law requires that property be assessed at its 'full cash value', the assessed valuation is usually considerably less than the actual value, consequently the assessed valuations upon which the figures in Table I are based, are conservative estimations of wealth.² Examples of variations between cities in regard to the percentage of that assessed valuation is of true property value, are shown for representative cities in the table below.

Table II

True Value of Property and Assessed Valuations for School Tax
Levies for Representative Cities in Kansas (Year 1927 - 28)

City	Percent Assessed Valuation is of True Property Value	Assessed Value (In \$1000)	School Tax Rate Mills
Arkansas City	100	17,686	16.0
Atchison	65	18,374	10.95
Chanute	50	11,327	16.0
Coffeetown	50	17,341	18.5
Independence	75	15,232	22.75
Kansas City	100	143,000	16.0
Salina	70	30,233	13.0
Topeka	73	86,849	14.25
Wichita	70	129,732	15.90

Source: Department of Interior, Bureau of Education, Biennial Survey of Education 1927-28. Washington, government printing office, 1929, page 193. (Bureau of education bulletin, 1929, part 2, no.'s 24-38.)

² See Table I, column 2, in Appendix.

Let us consider columns 1 and 2 in table 1. In the twenty-five years, 1880-1905, the per capita tax burden increased from \$5.72 to \$11.57, a rise of 102%. In this same period the amount of tax per \$1000 of assessed wealth increased from \$35.49 to \$46.13, a much smaller rise of 30%. In the second period from 1910 to 1933 the amount of tax per capita increased from \$14.45 to \$34.80 or 141%. The high of \$51.70 had been reached in 1929 but the decline during the depression was marked. The amount of tax per \$1000 of assessed wealth rose from \$8.91 in 1910 to a high of \$25.48 in 1930, a gain of 186%. A sharp recession occurred during 1931 and 1932 reducing the figure to \$21.82 in the latter year. A recovery to \$23.48 was made in 1933. For the entire period from 1910 through 1933 the increase in the tax burden was from \$8.91 per \$1000 of assessed wealth to \$23.48; an increase of 164%.

We see, therefore, that there has been a much greater increase in the truly burdensomeness of the property tax in the period of years from 1910 to 1933 than in the thirty years between 1880 and 1910. Prior to 1910 general property was increasing in value at more nearly the same rate as were the expenses of government. Since 1910 the expenses of government have risen much faster than the assessed valuation of property. We should also note that since 1910 the increase in the property tax burden per \$1000 of assessed wealth has been greater than the increase in the per capita tax burden. The former, which gives a more accurate picture of the tax burden, increased 164% as compared to a 141% increase in the latter.³

³ The reader may be interested in knowing that the estimated income in Kansas was \$1,068,000,000 in 1929 and \$1,075,600,000 in 1930. Unfortunately statistics for other years are not available, and therefore no trends can be shown.

1. The growth of population in Kansas was relatively slow and steady during the fifty-five year period from 1880 to 1934. In the former year there were 996,000 persons in Kansas and in 1934 there were approximately 1,850,000, an increase of 85.7%.
2. For the entire period from 1910 through 1933 the increase in the property tax burden was from \$8.91 per \$1000 of assessed wealth to \$23.48; an increase of 164%. From the high of \$25.48 in 1930 there had been a recession of 8.5%, by the end of the fiscal year 1933.
3. Between 1929 and 1933 the assessed valuation of property in Kansas fell from a high of \$3,813,034,125 to \$2,716,102,723, a decline of 28.8%. This valuation was less than the figure of \$2,752,108,678 in 1910.
4. From 1929 to 1933 the assessed valuation fell 28.8% while the total amount of property taxes levied decreased 32.7% thus indicating a lessening of the property tax burden.

The period from 1929 to 1933 the state government was operating at a loss equivalent to a decreasing percentage of the total revenue raised from property taxation in the state. This trend was reversed in 1934 and in 1935 we find that the first time since 1930 the percentage for that year was exceeded. Total state governmental expenditures were equivalent to 77.31 of the tax levies within the state in 1935 as compared with the 1934 figure of 75.44 in 1930. By 1933 this proportion had increased to 78.11 or almost one-half.

The period from 1930 to 1940 does not seem to show any direct tendency for the central state government to gain financial control of local government. Since 1930, however, there appears to have been an increase in the

* See Table I, page 3.

Trends in the Cost of the State Government

So much has been said and written about the tendency for government to become centralized, that a comparative study of the trend in the amount of the expenses of the central state government exclusive of the local governments, may throw some light upon the subject. In 1880 the per capita governmental expenditures were \$1.51 while the amount of tax per capita levied upon property by all units of government, was \$5.72.⁴ In 1880, then, the total expenses of the state government were equivalent to 26.4% of the total of property taxes levied by all governmental units in the state. In 1900 state governmental expenditures were \$1.54 per capita, and the total tax levies within the state were \$9.38 per capita. State government spent in that year but 16.3% as much revenue as all the property tax levies called for. In 1910 the corresponding figure was 14.6%; for 1920 it was 13.7%; for 1925 it was 16.5%; for 1928 it was 27.8%; for 1931 it was 42.1% and for 1933 it was 48.1%. These data show that from 1880 to 1920 the state government was spending yearly sums equivalent to a decreasing percentage of the total revenue raised from property taxation in the state. This trend was reversed by 1925 and in 1928 for we find that the first time since 1880 the percentage for that year was exceeded. Total state governmental expenditures were equivalent to 27.8% of the tax levies within the state in 1928 as compared with the like figure of 26.4% in 1880. By 1933 this proportion had increased to 48.1% or almost one-half.

The period from 1880 to 1920 does not seem to show any marked tendency for the central state government to gain financial control of local government. Since 1920, however, there appears to have been an increase in the

⁴ See Table I, page 3.

financial importance of the state government.

There need to be a few explanations made at this point in regard to the accuracy of the comparisons made in preceding paragraphs in this chapter. The reader will no doubt notice that there has been a comparison made between two seemingly incomparable things, namely, total property tax levies for all governmental units, and actual expenditures of the state government alone.

First of all it is obvious that property taxes once levied are very likely to be collected sometime. If the owners of real or immovable personal property do not pay their taxes sooner or later, the property will be sold at auction to secure the tax revenue. And since practically all of the property listed on the tax rolls is of this type mentioned above, it is reasonably accurate for comparative purposes to consider the property taxes levied as shown in Table I in the Appendix, as also having been collected. As proof of this assertion that practically all of the levied property taxes will sooner or later be collected, see Table IV, columns 4, 5, 6 and 7, in the Appendix. In certain years the receipts from the counties into the state treasury are less than the property taxes levied. In other years, the receipts are larger than the tax levies call for. The total levies for the years 1928 thru 1933 were \$42,092,278 and the total receipts were \$45,341,036, thus showing that property tax collections are truly almost as sure as death. As strange as it may seem, the property tax receipts during these six years were \$3,248,738 more than the state tax authorities apparently thought they would be according to the mills levied. To say that the collected taxes were spent, is entirely unnecessary considering the experience that mankind has always suffered at the hands of politicians. In short, these property tax levies raised practically the total amount of revenue that they called for, and this revenue was spent, thus making the tax levy totals an item reasonably comparable with the expenditures of the state government. The local units

with the exception of the school districts, are not required to report their expenditures to state authorities. This situation makes it impossible to compare actual local expenditures with state expenditures. The recent uniform accounting act passed by the legislature may in the future prove to be an aid in collecting comparable statistics on the expenditures of the local governments. At present the tax levies are the only reasonably available index to the expenditures of the local units.

One more point needs elaboration. While state expenses are being increasingly met out of revenues coming from other sources than the property tax, the local governments continue to secure the overwhelming majority of their revenue from this ancient source. For example, local units in 1932 spent \$98,670,000 while their property tax levies brought in \$76,420,000. But approximately \$14,830,000 of the difference between expenditures and the revenue from the property tax, was raised by revenues brought in by the earnings of general governmental departments and of governmentally owned commercial enterprises.⁵ In 1932, therefore, the \$76,420,000 raised by property taxes in local governmental units was equal to 91% of those local expenditures of \$83,840,000 which could be fairly classified as having been met by the revenues gathered by a burdensome governmental tax system. Burdensomeness as used here means those revenues that are collected thru the regular means provided in the tax system. Revenues arising from the operation of government owned public utilities are not considered here as in the class of burdensome revenues. The whole point of this explanation is merely that the growth of burdensome local expenditures has been almost identical with the growth of the amount of governmental revenue raised by the property tax. Local governments and especially school districts today rely almost entirely upon the property tax as a source of revenue. Cities owning public

⁵ See Table II, in the Appendix.

utilities are the only significant exceptions.

Now our statistics sited at the first of this chapter show that state governmental expenditures have increased at a much greater rate than taxes levied upon property. These data might seem to imply that the state is receiving an increasing proportion of the property taxes. The truth of the matter is that there has been very little or no absolute gain since 1925 in the amount of revenue coming into the state treasury from property taxes. In fact there has been a decided decrease since 1905 in the relative importance of the property tax as a source of revenue to the state government.⁶ Let us consider this significant development.

In 1880 the state government spent \$5.50 for each \$1000 of assessed wealth. (This assessed wealth it will be recalled is the assessed value for tax levying purposes of the general property within the state.) In 1890 the like figure was \$4.25; in 1900 it was \$5.50; and in 1905 it was \$5.70. We see that during the period 1880 - 1905 no marked increase occurred in the burdensomeness of state property taxes. In the second period of comparable years, 1910 - 1934, there was a rather slow irregular increase of from \$1.05 in 1910 to a high of \$2.63 in 1927, after which there has been a very irregular decline to \$1.93 in 1934.⁷

To sum up, then, we find that the burdensomeness of state taxes as measured by the amount of tax per \$1000 of assessed wealth, increased approximately 90% between 1910 and 1927. For the whole period from 1910 through 1934 the increase was 84.8%. The actual amount of state property taxes levied increased during this time from \$2,889,713 in 1910 to a high of \$9,646,378 in 1927 and then decreased to an economic depression low of \$5,226,309 in 1934. The percentage of gain of 1934 over 1910 was 82%. The

⁶ See Table I, columns 6 and 8, in the Appendix; see also Table IV, pages 17-18.

⁷ See Table I, column 7, in the Appendix.

gain between 1910 and 1927, a peak year, was 234%. Note the nearly identical percentages of increase in the actual taxes levied and in the burdenomeness of these taxes during the years from 1910 through 1934.

Table III

The Growth of Expenditures for State Government⁸
for Certain Years 1880 - 1934

Year	Total Expenses for State Government	Total Collections From the State Property Tax	Amount of State Tax Levies Per \$1000 of Assessed Wealth	Amount of State Expenses Per Capita
1880	\$1,500,723	\$843,575	\$5.50	\$1.51
1885	2,235,192	881,226	3.55	1.76
1890	2,594,099	1,445,317	4.25	1.77
1895	2,594,099	1,330,172	4.25	1.99
1900	2,227,854	1,420,284	5.50	1.54
1905	2,739,824	2,287,855	5.70	1.78
1910	3,600,577	2,622,407	1.05	2.12
1915	5,302,530	3,371,025	1.25	3.17
1920	9,300,385	4,711,408	1.40	5.23
1925	13,108,994	8,702,563	2.57	7.23
1926	16,618,347	8,495,458	2.48	9.12
1927	25,957,000	9,572,041	2.63	11.90
1928	25,653,449	8,043,933	2.02	13.95
1929	41,845,466	9,826,353	1.95	22.46
1930	44,178,205	6,105,904	2.00	23.48
1931	36,146,531	8,542,321	1.87	19.54
1932	34,235,970	7,448,766	1.86	18.76
1933	30,948,064	5,373,762	2.49	16.73
1934	29,591,583	4,984,037	1.93	15.99

But let us examine the statistics of total expenses of state government as shown in Table III, above; in 1880 the amount of state expenses per capita was \$1.51, and in 1905 it was \$1.78, a conservative growth of only 11%. During the next period from 1910 to 1934, total state expenditures increased from \$2.12 in 1910 to the high of \$19.54 in 1931⁹ and then receded to approximately \$16.00 in 1934. The increase between 1910 and

⁸ See Table III, in the Appendix. For the source of the figures in column 3 of Table III, above, see Table IV, columns 6 and 7, in the Appendix.

⁹ According to Table III and to Table III in the Appendix the high year

1927 was from \$2.12 to \$11.90, or 461% as compared with an increase of but 234% in the state property taxes collected during these same years. Taking this period of 1910 to 1934 as a whole we find that total State expenditures increased from \$2.12 per capita in 1910 to \$16.00 per capita in 1934, a growth of 655%. During this same period property taxes collected by the state government gained 53% per capita, or from \$1.55 to \$2.37. Putting it another way, property taxes collected were equal to 73% of total state governmental expenditures in 1910, and by 1934 this proportion had decreased to 16.8%.

This question will no doubt arise in the reader's mind, How has the state been able to meet the burden of increased expenditures without drawing more heavily upon the time honored property tax? In the next several pages a partial answer at least, will be given to this question.

was 1930 with a per capita figure of \$23.48, but there is a disagreement in the Biennial Reports of the Auditor of State in regard to the total expenditures for the five years, 1926 through 1930. State Auditor Ed. J. Powers, informs the author that the totals cited in this study are the correct ones. However to avoid confusion in the minds of any readers who might like to check back through the summaries appearing in the Reports the total expenditures for 1931 will be used for comparative purposes instead of the total for 1930. Also the expenditures for 1931 are thoroughly verified and therefore are not subject to the danger of being called inaccurate or exaggerated.

1. Between 1880 and 1920 the state government spent a decreasing proportion of the moneys expended by all governments in Kansas. In 1880 the percentage was 26.4% of all property tax levies within the state, and in 1920 it was only 13.7%. By 1933 it had increased to 48.1%.
2. Local governments still depend upon property taxes for about 77.5% of their revenue. This percentage is based upon 1932 data. (This is not true of the state government as will be shown in the next chapter).
3. Total expenditures of the state government increased from \$2.12 per capita in 1910 to \$16.00 per capita in 1934, a gain of 655%. Between 1880 when the per capita cost was \$1.51 and 1934, the growth of state expenditures per capita was 959%.
4. Between 1880 and 1905 the property tax per \$1000 of assessed wealth increased 3.64%. From 1910 to 1934 the increase was \$1.05 to \$1.93, a gain of 84.8%.

The general property tax continued to bring in an amount just in excess of half of the total expenditures of the state government until as recently as 1929. In that year total collections of the state property tax amounted to \$8,697,000 and total state expenditures to \$13,100,000. The property tax receipts therefore were equivalent to 66% of state expenditures until 1929.¹⁰ The very next year, however, expenditures began to increase and this trend continued until in 1934 they totaled \$31,100,000.

¹⁰ See report of Auditor of State, 1929, page 184; also the report of 1930, page 2.

¹¹ The status of this fund and its productivity for some years back are shown in The Twenty-eighth Biennial Report of the Superintendent of Public Instruction of Kansas, 1929-30, page 104.

¹² See Table III, page 11.

Trends in the Sources of Revenue for the State Government

Kansas like most young states had much public domain in 1880. A large portion of it had already been sold; some of it was rented. In 1884 the state government received approximately \$1,018,543 in the form of interest and principle payments on school land sold.¹⁰ In this year total state expenditures amounted to only \$2,235,192, so consequently this school land revenue supplied 44.7% of the financial support of state government in 1884.

Of course the school lands were finally nearly all sold and the little of the proceeds that was saved and placed in the so-called permanent school fund has contributed a rather steady but insignificant amount to the support of public education. By the close of the 19th century the revenue from school lands was no longer of any marked relative importance. The size of the permanent school fund in 1915 was \$9,529,916, and the revenue that it produced for the support of public education was \$518,079. In 1932 the corresponding figures were \$10,712,805 and \$505,240.¹¹

The general property tax continued to bring in an amount equal to over one half of the total expenditures of the state government until as recently as 1925. In that year total collections of the state property tax amounted to \$8,687,205 and total state expenditures to \$13,108,944. The property tax receipts therefore, were equivalent to 66.3% of state expenditures during 1925.¹² The very next year, however, expenditures began to increase and this trend continued until in 1931 they totalled \$36,146,531,

¹⁰ See report of Auditor of State, 1884, page 154; also the Report of 1905-06, page 3.

¹¹ The status of this fund and its productivity for some years back are shown in The Twenty-eighth Biennial Report of the Superintendent of Public Instruction of Kansas, 1931-32, page 404.

¹² See Table III, page 11

while collections of property taxes were \$8,542,321, or only 23.9% of the total state expenditures. The percentage has continued to decline in the last three years; in 1932 it was 21.8%; in 1933 it was 17.4% and in 1934 only 16.8%.

The author has used state expenditures for comparative purposes instead of total state revenue receipts in this chapter as throughout the thesis because of the practical impossibility of determining total receipts which could be considered in the light of regular governmental revenue. Various funds into which interest and principle of certain bond issues are paid, distort the revenue receipts totals because some of these receipts do not enter into regular governmental expenditures. The main purpose of this work is to show how much aid the different sources of income give the state government. It is quite apparent that these receipts that have been discussed, are actually destined to soon be turned into expenditures, and therefore they may logically be compared with actual state expenditures.

But the reader is still asking, Well, how have these increased expenses been met? We are ready to answer that question now.

The source of revenue that has grown to be the most important single supporter of the state government, is the gasoline tax. The collection of this tax began in 1925, when the rate of 2 cents per gallon brought in for a part of the fiscal year, \$483,174. In 1926, the collections were \$4,034,326; in 1928 they were \$5,398,938. Beginning in 1929 the tax was raised to 3 cents per gallon where it has since remained, and the revenue jumped to \$6,962,552. A high of \$10,619,359 was reached in 1931, after which a decline set in and the collections dropped to \$7,362,680 in 1933. A rather substantial rebound occurred in 1934, however, when the receipts were \$8,241,437.

Table IV shows the growth and relative importance of the gasoline tax and other important sources of revenue going into the state treasury. Following this table there are brief statements concerning the bases and rates

of each of these taxes. The percentages are figured to the closest tenth of one percent. The income tax is not listed due to the recentness of its passage by the legislature and the inadequate and incomplete records of its results. It would not be amiss, nevertheless, to give the rates and exemptions in the present state income tax law. The exemptions are \$750 for a single person; for a married person living with husband or wife a \$1,500 exemption is allowed. For each dependent under 21 years of age or incapable of self-support there is an additional exemption of \$400. The rates are:¹³

Personal Incomes

On first \$2,000 - 1%
\$2,000 to 3,000 - 2
\$3,000 to 5,000 - 2½
\$5,000 to 7,000 - 3
All over \$7,000 - 4

Corporation Incomes

2% on entire net incomes. Exemptions: Nonprofit seeking corporations and banking companies, the banking activities of corporations not primarily banking corporations such as insurance companies.

The income tax as yet is not a very important source of revenue, but the history of income taxes in other states leads us to believe that gradually the rates in Kansas will be raised and the law more efficiently administered with the result that the income tax will become one of the most important sources of revenue to the state government. For the productivity of the Federal income tax in Kansas see Table V in the Appendix.

¹³ Kansas Tax Studies, Lesson VIII, page 6.

Relative Importance of the Main Sources of Income to the

(Data compiled from information found in the Biennial

State Gov

Reports C

Year	Total Expenses of State Government	1 Receipts From The Property Tax	Per Cent That Property Tax Receipts Are Of Total Expenses	2 Receipts From The Inheritance Tax	Per Cent Th Inheritance Receipts Are Total Expe
1910	\$3,600,577	\$2,622,407	73.0	\$8,827	0.25
1915	5,302,530	3,371,025	65.5	72,809	1.35
1920	9,300,385	4,711,408	50.7	426,177	4.6
1922	10,835,574	6,642,084		333,398	
1925	12,108,994	8,702,563	66.3	402,042	3.1
1926	16,618,347	8,495,458		511,974	
1928	25,653,449	8,043,933	31.4	715,655	2.7
1929	41,548,466	9,826,353		595,630	
1930	44,178,205	6,105,904		684,224	
1931	36,146,531	8,542,321	23.6	546,859	1.5
1932	34,235,970	7,448,766	21.8	431,469	1.3
1933	30,948,064	5,373,762	17.4	296,500	1.0
1934	29,591,583	4,984,037	16.8	343,895	1.2

This figure is from the Kansas State Budget for 1936-37

Year	5 Receipts From Insurance Com- missioner Fees	Per Cent That Insurance Com- Fees Are Of Total Expenses	6 Receipts From Corporation Tax	Per Cent That Corporation Tax Receipts Are Of Total Expenses	7 Receipts From Per the Cigarette Ciga Tax Recei Total
1910	\$269,165	7.5			
1915	349,293	6.6	\$186,202	3.5	
1920	759,466	8.2	290,163	3.1	
1922	761,686		340,924		
1925	854,008	6.5	349,888	2.7	(begins 1927)
1926	930,802		3 49,721		\$110,712
1928	665,147	2.6	333,369	1.3	689,400
1929	1,073,243		349,477		695,512
1930	1,356,636		368,978		682,452
1931	1,006,502	2.8	373,817	1.0	583,193
1932	986,891	2.9	360,132	1.1	444,393
1933	822,930	2.3	323,874	1.0	304,426
1934	762,355	2.6	315,293	1.1	385,471

Source: Kansas, Ninth Biennial Report of Kansas State Highway Commission (1933-34), page 46.

In 1934 the Income Tax brought in \$618,302 but this was not a full year. Estimates in Budget for 1936-7 placed Income Tax receipts at \$1,650,000 annually.

ports of the Auditor of State for the Years covered)

	3		4	
	Receipts From The Gasoline Tax	Per Cent That Gasoline Tax Receipts Are Of Total Expense	Receipts From The Motor-vehicle-license Tax	Per Cent That Motor-vehicle-license Tax Receipts Are Of Total Expense
25			\$48,959	0.9
35			143,596	1.5
6			302,950	
1	\$483,174	3.7	244,871	1.9
	4,034,326		3,484,276	
7	5,398,938	21.1	3,838,799	14.9
	6,962,552		4,409,544	
	10,607,112		531,421	
5	10,619,359	29.4	5,658,753	15.7
3	8,036,841	23.5	5,252,345	15.3
0	7,362,680	23.8	3,023,764	9.8
2	8,241,437	27.9	3,155,705	10.7

	8		9	
	Receipts From Cigarette Tax	Per Cent That Cigarette Tax Receipts Are Of Total Expense	Receipts Of Federal Aid For Highways	Per Cent That Federal Aid Receipts Are Of Total Expense
7			(for 1917)	
	\$108,687	2.0	\$143,207	2.7
	105,474	1.1	2,728,996	29.3
	109,781		2,102,281	19.4
927)	150,768	1.2	2,081,230	15.9
2	209,551		2,092,956	12.7
0	239,773	0.9	2,068,532	8.1
2	204,710		2,062,196	
2	239,590		2,058,305	
3	223,452	0.6	5,606,609	15.5
3	225,810	0.7	6,672,035	19.5
6	177,636	0.6	3,327,526	10.8
1	133,787	0.5	10,089,605	34.1

1. The state property tax is levied upon all tangible property, except churches, schools and their equipment and such religious, educational or non-profit seeking organizations. The mill rate, which may be increased or decreased as the financial needs of the state require, has varied from 1.05 mills in 1910 to a high of 2.74 mills 1926 and 1927. In 1934 the total levy for the general state tax and for the special tax for retirement of the debt incurred in paying the soldiers' bonus in 1924, was 2.06 mills.¹⁴ Property is supposed to be assessed at its 'full cash value' as required by law, but it is constantly under assessed. See Table II, page 4. The reader's attention is also called to Table VI in the Appendix. In 1922, for example the latest official estimate by the United States Census Bureau, places the taxable wealth in Kansas at \$5,995,000,000. In this same year the total valuation of all property as fixed by the Kansas State Tax Commission, was \$3,555,000,000. This latter figure was the assessed value for purposes of taxation. We find in these figures what appears to be under valuation running as high as 40%. Of course, the valuations are merely scientific estimates but they do indicate that there is some undervaluation in Kansas. Included in the property tax is the tax on intangibles such as moneys and credits. The rates on these are 50¢ per each \$100 of actual value. This tax has been singularly unproductive of revenue as is shown in Table IV, column 3b, in the Appendix. The greatest amount ever produced by this tax was \$182,656 in 1931, and this total was not actual receipts, but merely the taxes levied.
2. The state inheritance tax is a progressive tax upon inherited shares of an estate. The rates may best be shown in the following table. The

¹⁴ See Table IV, column 3c, in the Appendix.

information in this table is taken from the Tax Study Lessons prepared by Jens P. Jensen and Harold Howe in cooperation with the Kansas Chamber of Commerce. Thirteen excellent lessons were published. This information appears in lesson XI, page 3.

Inheritance Tax Rates in Kansas

Amounts Inherited	Class A	Class B	Class C
	Widow Others		
	Exemptions:		
	\$75,000	\$15,000	\$5,000
			0.00
			Rates:
On first \$25,000 or less	$\frac{1}{2}\%$	1%	3%
Next \$25,000 or part there of	1	2	5
Next \$50,000 or part there of	$1\frac{1}{2}$	3	$7\frac{1}{2}$
Next \$400,000 or part there of	2	4	10
All over \$500,000 or part there of	$2\frac{1}{2}$	5	$12\frac{1}{2}$

Class A includes surviving husband or wife, lineal ancestors, lineal descendants, adopted child or children, lineal descendants of any child or children, lineal descendants of any adopted child, the wife or widow of a son or the husband of a daughter of a descendant.

3. The gasoline tax at present is three cents per gallon for gasoline used by vehicles which travel on the highways. The fuel used by farm tractors and stationary engines is tax exempt.
4. The motor-vehicle-license "tax" varies with the size of vehicle and its usage.
5. The insurance commissioner fees are determined by the following methods:
A \$50 annual fee is paid by all companies. A 4% gross tax is levied on the gross premiums of alien companies, and a 2% tax is levied on the gross premiums of other out-of-state companies.¹⁵

¹⁵ See Report of Kansas Tax Code Commission, submitted to the Governor, December 1, 1929, page 164.

6. The corporation tax consists of the following: The basis of the tax is the filing of articles of incorporation and the filing of the annual report. The charter fee is \$25. When the paid up capital stock is less than \$10,000, the annual fee is \$10. The fee increases in proportion to the amount of capital stock, amounting to \$2,500 for corporations with capital stock exceeding \$5,000,000.¹⁶
7. The cigarette tax is based upon cigarettes and cigarette papers. The rates are 2 cents per 20 cigarettes and 1 cent per 150 cigarette papers.¹⁶ Not all of this tax goes to the state. Varying amounts from 15% to 30% go to the counties and cities. The legislature and the financial needs change the proportion from time to time.
8. The excise tax is 4% of the gross receipts of express companies.¹⁶
9. The federal aid that Kansas has been receiving since 1917, has come to the state upon the condition that the legislature appropriate an equal amount, and that these two sums be used to construct highways that meet with the specifications set up by the federal government. Since 1931 the state has not been required to raise funds to match federal aid. Federal grants (gifts) have been given the state and these grants have been used by the state to match the regular federal aid.¹⁷

The declining relative importance of the property tax is quite evident in the data shown in Table IV, pages 17 and 18. This tax has been discussed in the preceding pages.

The inheritance tax reached its point of greatest importance in 1920 and its largest absolute total in 1928. The rates of this tax are too low and the exemptions too high for it to be very productive.

¹⁶ See Report of Kansas Tax Code Commission, submitted to the Governor, December 1, 1929, page 164.

¹⁷ See The Ninth Biennial Report of the Kansas State Highway Commission, 1933-34, page 46.

The gasoline tax has proven to be an exceedingly important and productive source of revenue. With the exception of the two worst depression years of 1932 and 1933, the receipts from this tax have steadily increased in both absolute and relative importance. It is probably that were the Federal government to relinquish its one cent tax on gasoline, the state could increase its tax from the present 3 cents to 4 cents without causing any decrease in the consumption of gasoline. As economic conditions improve this tax will no doubt increase in total and relative importance. The problems of evasion by farmers and by the tank wagons delivering direct to the consumers from the refineries, are as yet unsolved. Their correct solution may be expected to increase the yield of the gasoline tax.

The motor-vehicle-license 'tax' is a twin to the gasoline tax. The two are not identical by any means but they both must be paid by the motorist. The desire of the state government to follow a combination of the ability to pay and the benefit theories of taxation is shown in its reduction of the license tag fees, and in its closer scrutiny of trucking and in its more exacting control of these carriers. This policy has caused the motor-vehicle-license 'tax' to decline in relative and absolute importance. In 1931 this tax and the gasoline tax brought in sums equivalent to 45% of the total expenses of the state government for that year. The reader should realize, however, that in 1931 the state government spent \$19,503,303 on highways in Kansas, or a sum 19.8% greater than the receipts from these two automobile taxes. The property taxes on automobiles if the assessed valuation were placed at the high figure of \$200 per vehicle on the 559,176 cars and trucks registered in 1931, would have brought in an additional amount of only \$223,670. The state property tax levy was 1.99 mills in 1931. This extra \$223,670 tax burden born by owners of automobiles in Kansas would still leave about 18.1% of the state's highway expenditures to be raised from other sources than the car owners. A little more will be said in the next

The insurance commissioner fees which probably should be called taxes, have been fairly productive of revenue. Their relative importance has been declining at an irregular rate since 1920 when the receipts were equivalent to 8.2% of the total expenses of the state government. Between 1931 and 1934 they averaged about 2.65%. The highest absolute total was reached in 1930 when the collections were \$1,356,636. Receipts declined gradually until they amounted to \$762,355 in 1934.

The corporation tax has never been an important source of income to the state government, although it has been the producer of a very steady absolute amount of revenue. Its steadiness is well illustrated in Table IV which shows that for the entire period from 1922 through 1934, this tax brought in annually between \$315,293 (the low figure in 1934) and \$373,817 (the high figure in 1931). It seems to be the ideal tax in this respect, and especially so when we remember that the tax years 1932 and 1933 were the worst years during the 1929-34 depression.

In 1927 the state government once again began to receive revenue from a cigarette tax which has not grown to be of much relative importance. The rapid decrease in the receipts from \$682,452 in 1930 to \$304,426 in 1933 appears to have been greater than the decreased consumption would warrant. Bootleg cigarettes are apparently not unknown.

The excise tax on car and express companies has been a steady but comparatively insignificant source of income to the state during the boom years and even through 1932. In 1928 it brought in \$239,773 and continued to bring in annually from \$225,000 to \$239,000 until 1933 and 1934. In the latter year it yielded but \$133,787.

Federal Aid has been one of the three or four most important sources of income to the state since 1919. In 1920 it represented an amount equal to 29.3% of the expenditures of the state government. It became relatively

less important during the next decade, but that was due to a great increase in state expenses rather than to decrease in amount of the federal aid received. The total of the federal aid, in fact, remained about the same between 1922, when it was \$2,102,281, and 1930 when it was \$2,058,305. During the last four years the state government's expenditures have fallen from \$36,146,531 in 1931 to \$29,591,583 in 1934, while the federal aid received has jumped from \$5,606,609 in 1931 (an already high figure) to \$10,089,604 in 1934. For that year it was equivalent to 34.1% of the total expenditures of the state government. In the fiscal year ending June 30, 1935 the state received \$5,117,675, a much smaller sum than in 1934, a fact which is no doubt an indication that the high figure of 1934 was only a temporary situation. The fact remains, nevertheless, that federal aid will remain an important source of income to the state.

The taxpayers of Kansas, however, should not make the mistake of believing that this source of income is in the nature of a gift. To thoroughly realize that it is not a gift, one needs to but glance at the totals shown in Table V, column 1, in the Appendix. Here we see that between 1924 and 1930 federal taxes in Kansas ranged between \$20,735,000 and \$17,134,000. The depression caused a drop to \$7,141,000 in 1932, but the imposition of federal taxes on gasoline oils, checks and other items brought the total back up to \$9,048,000 in 1933. If the figures given in Table V, in the Appendix are placed along side of the yearly totals of the federal road aid given Kansas, it will become quite evident that Kansas must and will pay for its federal aid.

Following is an almost complete list of the sources of the revenues to the state government. This information is taken from the Twenty-ninth Biennial Report of the Auditor of State, 1933-1934. page 23.

Athletic Commission	\$1,018.46
Auditor of state	28.00
Bank commissioner examination fees	61,034.51
Barber Board (10%)	1,164.70
Board of Chiropractic Examiners (10%)	402.00
Board of Dental Examiners (10%)	222.55
Board of Embalming (10%)	315.35
Board of Engineering Registration	343.90
Board of Graduate Nurses	1,007.80
Board of Health, births and deaths	1,976.25
Board of Health, child hygiene	207.00
Board of Law Examiners (10%)	440.00
Board of Medical Registration and Examination (10%)	827.50
Board of Optometry (10%)	240.00
Board of Osteopathy (10%)	137.50
Board of Pharmacy	1,463.11
Board of Podiatry Examination (10%)	21.30
Board of Review (10%)	3,013.04
Board of Veterinary Examination (10%)	146.55
Candidates' declaration fees	1,244.00
Cigarette tax (85%)	385,471.25
Clerk of supreme court fees	7,474.03
Court stenographers' fees	33,340.54
Cosmetology fees (10%)	1,367.10
State Corporation Commission fees	29,869.00
Excise tax, car and express companies	133,787.77
Forestry, Fish and Game (10%)	15,802.34
Governor's Requisition and Extradition fees	587.11
Grain inspection (10%)	17,149.76
Income tax	618,302.23
Inheritance tax	343,895.03
Inspection and registration, Department of	18,172.75
Insurance commissioner fees	762,355.79
Impounded custodial interest	200,900.00
Interest on deposits (net)	158,804.53
Labor and Industry, free employment fees	199.24
Librarian fees	1,532.50
Marriage registration 1 (10%)	2,054.80
Mine examination (10%)	1.70
Oil and gas royalties (Board of Administration	16,414.07
Sand royalties, Board of Administration	15,676.27
Secretary of state, corporation tax	315,293.85
Secretary of state, miscellaneous fees	29,512.72
State Soldiers' Home (U. S. Aid)	7,279.80
State taxes	3,945,080.71
State treasurer, fiscal agency	23.75
State treasurer, registration of bonds	502.60
Miscellaneous	1,952.02
Salary refunds	<u>624.96</u>
Total	\$7,139,681.94

OTHER SOURCES OF INCOME

	1934
Gasoline Tax	\$8,241,437
Motor-vehicle-license Fees	3,155,705
Fees at Educational Institutions	1,729,299
Fees at Charitable Institutions	380,176
Fees at Penal Institutions	550,017
Fees at Patriotic Institutions	7,487
State Printer Operating Fees	337,669
School Book Commission Fees	173,048
Chauffeurs and Drivers' Licenses	74,543
Executive Department Fees	406
Other Departments, Boards and Commissions, Societies, etc. Fees	1,611,068
Soldiers' Compensation Fund Fees	9,338
Total	\$16,270,193

	1934
Federal Road Aid	\$5,710,416 [†]
Grand Total	\$29,299,933

It is interesting to notice the large percentage of the revenue that comes from fees paid by the persons using and directly benefiting from the services provided by the state government. In 1934 the receipts from fees were \$5,625,070, and were equal to 19.2% of the total receipts.

[†] The total amount of federal aid and grants received in 1934 was \$10,089,604, but only \$5,710,416 was considered as a regular income to the state.

1. The property tax has decreased rapidly in relative importance as a source of income to the state government. As late as 1925 the receipts of \$8,702,563 were equivalent to 66.3% of the total expenses of the state government. In 1934 the collections were \$4,984,037 or but 16.8% of the amount spent by the state in that year.
2. The gasoline tax since 1930 has been the largest single source of revenue to the state, and the \$8,241,437 collected in 1934 was equivalent to 27.9% of the cost of state government during the fiscal year 1934. The so-called 'automobile taxes', the gasoline tax and the motor-vehicle-license, which in 1934 amounted to \$3,155,705, together, were equal to 38.6% of the 1934 expenses of the state government. However, the state expenditures for highways were greater than the revenue from the automobile taxes for every year studied.
3. Federal Aid has been a steady and important source of income to the state. For most of the years between 1920 and 1930 it averaged a little over \$2,000,000 annually. In 1931, however, it jumped to \$5,600,000 and in 1934 to \$10,089,000; in 1935 it dropped back to \$5,117,000. Its relative importance is shown by the fact that it has rather consistently been equal to from 12% to 15% of the total state expenditures.
4. The only other source of income to exceed the \$1,000,000 for any given year, is the insurance commissioner fees. For the four year period 1929-32 the collections from this source averaged \$1,105,818 annually.
5. The income tax may be expected in the near future to return a little more than one and one half million dollars a year, and its rates will undoubtedly be increased in a few years.

Source: Second Biennial Report of Auditor of State, 1932-33, page 71

See Table III, Part 2, column 4, in this appendix.

The most important general reason why governmental expenditures have increased in Kansas, is that the state has been the site of an increase in population, a growth in industry and a steady rise from a lower to a higher and more complicated socio-economic order. State Auditor, P. J. Bonebrake, wrote in the Biennial Report of his office for 1879-80, "In my last biennial report, I suggested that the rate per cent of taxation for State purposes be reduced; but the many unusual appropriations made a reduction impossible. Almost all the public institutions of the State have been enlarged, some new buildings added, while many appropriations were made which were wholly unexpected." He went on to say that in spite of the increased expenditures, the state was able to live within its income, and to end the fiscal year with an 'ample balance' in the treasury.¹⁸

The statement just quoted in the preceding paragraph could have been truthfully used by many of the auditors who have served since Mr. Bonebrake. Kansas has grown, but it has usually grown in a relatively conservative manner. A deficit was never recorded in the fifty-four years covered in this study. Since 1915 the auditor's reports have carried an item marked 'unexpended balances' which each year has been quite substantial in size.¹⁹ Of course an 'unexpended balance' may be made possible by merely deferring the payment of obligations until after the yearly financial report has been made, in order to make the financial condition of the state appear to be better than it is. This type of 'window dressing' has not been used to any significant extent in Kansas, and the financial condition of the state government has really been continuously good since 1880. The only resort to

¹⁸ Kansas, Second Biennial Report of Auditor of State, 1879 - 80, page v.

¹⁹ See Table III, Part 2, column 4, in the Appendix.

rather large borrowing and spending was the payment of the soldiers' bonus in 1924.

Some of the unusual and unexpended appropriations mentioned by Bonebrake, have continued and today many of them are usual. \$212,750 were appropriated in 1879 to build the west wing of the capital, and a \$35,000 expenditure was authorized to establish a Reform School 'within five miles of Topeka'. The state university spent for the two years ending June 30, 1880, some \$42,577; an expenditure of \$54.58 per annum per student for the average number of 390 students.²⁰ During the fiscal year 1934 the university spent \$1,449,051. A total of \$2,108,566 had been spent in 1930. The 1934 fall semester enrollment was 3,931.

The increase in the number of state institutions since 1880 is shown in the following table.

Table V

The Number of State Institutions in Kansas 1880 - 1934[†]

1880	1890	1900	1910	1915	1920	1925	1930	1934
8	9	16	20	28	27	30	30	30

[†] See Table VII in the Appendix, for the institutions included.

According to this table between the years 1880 and 1915 the state government greatly increased its services to the people as indicated by the growth in the number of institutions. Since 1915, however, the state has not undertaken to add to the number of its social functions to any marked extent. The relief activities of the state during the last depression are an exception, of course, but even in this social work the federal government is really the main guiding and financial force. The various state in-

²⁰ Kansas, Second Biennial Report of Auditor of State, 1879-80, page vi.

stitutions in existence in 1915, have grown since then and consequently the total cost of supporting them has also grown. In 1915 the total amount expended by the state educational, charitable, penal and patriotic institutions, was \$4,085,743. This included \$627,046 in fees which were paid by those persons who received the services of these institutions.²¹ The high for total expenditures was \$10,528,434 in 1933. Of this amount \$2,447,731 or 23.2% came from fees. In 1934 the corresponding figures are \$7,286,734 and \$1,983,093 or 27.2% . The total expenditures of the state institutions increased 157.7% during the period from 1915 to 1933; but decreased expenditures in 1934 make the cost for that year equivalent to an increase of but 78.3% over 1915.

State Educational Institutions

The growth of the expenses of the state educational institutions is shown in the following table. It is interesting to note the percentage that the fees are of the totals spent.

Table VI

Amount Expended by State Educational Institutions,[‡]
for Certain Years 1915 - 1934

Year	Expended From General Fund	Expended From Special Fund (Fees)	Total Expenditures	Per Cent That Fees Are Of Total Expenditures	Per Cent Of Gain Of Total Expenditures Over Year 1915
1915	\$1,989,041	\$449,077	\$2,438,118	18.4%	0%
1920	2,739,309	1,031,967	3,771,276	27.4	
1925	3,581,166	1,630,175	5,211,341	31.3	
1930	4,068,914	2,118,376	6,187,290	34.2	154
1931	3,782,506	2,086,635	5,869,141	35.6	
1932	3,809,201	1,849,615	5,658,816	32.7	
1933	4,439,873	1,614,020	6,053,893	26.7	
1934	2,985,629	1,252,744	4,238,373	29.5	74

[‡] For the state institutions included under the heading 'educational' see the foot note under Table VIII in the Appendix.

From 1915 to 1930 the state government increased its expenditures for education 154%. By 1934 one-half of this gain had been wiped out, and the percentage of gain between 1915 and 1934 was 74%.

Throughout the entire 15 year period from 1920 to 1934 the state educational institutions received fees ranging in amounts equivalent to from 26% to 35% of their total expenditures. In other words, during the last 15 years the educational institutions of the state have been from one-fourth to one-third self supporting.

The reader will probably be thinking, Well, of course, the expenses of the state institutions have grown, but so have the institutions and the number of persons that they serve. The figures alone do not prove anything that has not already been generally known. Table VII was prepared for the purpose of making possible a comparison between the percentage of growth in the enrollment at the five state institutions of higher education, and the percentage of growth in their total expenditures. Comparable data in regard to enrollment further back than 1920 unfortunately were not available.

According to Table VII total enrollment gained 22.1% between 1920 and 1922. During these three years, expenditures increased 29.5%. By 1925, enrollment was 47.9% greater than in 1920, while expenditures were 39.1% greater. Enrollment had increased more than the expenditures for the six years, 1920-25. Thereafter, however, enrollment, until 1934, shows a smaller gain over 1920 than do expenditures. A smoothing out of the variations between 1920 and 1932, leads to the establishment of a trend for these thirteen years which shows that the total enrollment was increasing less rapidly than the expenditures. The percentage of increase in enrollment in 1932 over 1920 was 30.3%, and the increase in expenditures was 46.5%.

The exceedingly large drop in 1934 in the total expenditures to a sum only 13.1% greater than for 1920, while the enrollment remained 41.4% greater than in 1920, are factors which if continued will thoroughly change the

Table VII

Enrollment[†] in State Educational Institutions 1920 - 1934

Year	K.U.	K.S.C.	Emporia	Pittsburg	Hays	Totals	Percentage of Gain Over 1920	Total Expenditures Of Educational Institutions	Percentage of Gain Over 1920
1920	3357	2436	584	384	242	7003		\$3,412,014	
1921	3567	2748	789	672	307	8083			
1922	3608	2781	1000	845	315	8549	22.1%	4,419,882	29.5%
1923	3543	2840	1095	971	420	8869			
1924	3801	2879	1292	1121	490	9583			
1925	4076	2995	1431	1343	516	10,361	47.9	4,747,240	39.1
1926	4002	3043	1444	1406	582	10,477			
1927	4035	2806	1349	1443	606	10,239			
1928	4038	2842	1348	1425	545	10,198	45.6	5,589,523	63.8
1929	4192	2986	1244	1441	525	10,388			
1930	4254	2982	1153	1199	653	10,241	46.2	5,463,575	60.1
1931	4049	2869	1153	1358	640	10,069			
1932	3684	2451	1118	1257	615	9,125	30.3	5,000,035	46.5
1933	3648	2308	1166	1139	640	8,901			
1934	3931	2733	1340	1151	840	9,905	41.4	3,858,394	13.1

Sources: Fifth Biennial Report of Board of Regents, State of Kansas, Educational Institutions, for the two years ending June 30, 1934, page 7; and the Biennial Reports of Auditor of State, for the years covered.

† The enrollment is that as of November first, a fairly average date, of the years named. Correspondent courses, extension classes and training school enrollments are not included.

direction of the trend in the future. Depressions are truly grey-hair-producers for individuals who are attempting to discern trends.

One word of caution about the use of Table VII is needed. Per student costs cannot be calculated from the enrollment totals given there. It would be necessary to determine the total net student semester hours in order to get a true picture of per student costs. All the state schools have three regular terms, and one or two of them have a fourth short term in August. The enrollment totals given in Table A are those as of November first, and can be used merely to establish trends.

State and Local Education, Combined Cost

In dealing with trends in the combined costs of local and state supported education, let us first confine our discussion to the local schools, and then later bring the local and state expenditures together to complete the whole picture of public school expenses in Kansas. The cost of local elementary and secondary education increased at an irregular rate from 1883 to 1908. Thereafter through 1930 the trend was steadily upward. Table VII, page 34, shows this growth. The figures in column 1, for the first twenty or twenty-five years really represent expenditures for common or elementary schools only, as high schools did not become generally a part of the most local school systems until the last decade of the nineteenth century and even the first fifteen or twenty years of the twentieth.

Now, as in the case of the growth in the expenses of state institutions, mere figures do not mean much in themselves, and the reasons for the gains must be discussed briefly. Table VIII, as we have discovered, shows the growth of the expenditures for public elementary and secondary schools from 1870 to 1933. Between 1870 and 1900 the absolute expenditures increased greatly, from \$673,041 to \$4,622,263 or 586.6%. Average attendance also increased to such an extent that per student costs were but slightly higher in 1900 when they were \$17.64, than they were in 1870 when they were \$17.26.

Table VIII

Amount Paid for Elementary and Secondary Public School Purposes in Kansas,
for Certain Years 1870 - 1934

Year	I Expenses Of Elementary And Secondary Schools	II Average Attendance	Per Student Cost (I + II)
1870	\$673,041	39,401	\$17.26
1883	2,579,243	168,117	15.35
1885	3,388,651	194,325	17.47
1890	4,972,966	237,900	20.89
1894	4,438,449	252,215	
1898	3,760,426	256,934	
1900	4,622,263	261,785	17.64
1902	4,804,562	273,197	
1904	5,684,578	258,493	
1906	6,309,808	280,679	
1908	4,268,363	290,904	
1910	9,812,670	291,329	33.72
1912	11,158,255	298,128	
1914	12,210,174	310,803	
1915	12,573,540	308,892	40.69
1916	13,683,925	311,267	
1918	17,070,394	288,236	59.27
1920	22,512,308	309,505	72.62
1922	33,819,376	339,789	
1924	34,993,030	363,840	
1925	35,753,141	353,503	101.00
1926	35,303,036	257,041	
1927	30,979,360	349,298	
1928	39,409,848	357,029	
1929	40,256,832	357,095	
1930	42,378,594 [⊙]	366,357	115.79
1931	37,649,852 [‡]	370,713	
1932	31,051,638 [‡]	366,648	84.56
1933	25,540,731 [‡]		

Source: Biennial Reports of the Superintendent of Public Instruction of Kansas for the years covered and, Biennial Reports of the Tax Commission.

[‡] These are property tax levies for school purposes and not actual expenditures.

[⊙] One of the main reasons for the increase in expenditures between 1920 and 1930 was the formation of high schools. Between 1920 and 1925 new buildings were being erected, after that they were being paid for. The number of accredited high schools is shown below:

Year	1915	1920	1922	1924	1925	1928	1930	1931	1932
Number of High Schools	365	576	690	708	711	728	742	741	739

school costs began to rise in 1910 and had more than doubled by 1920, gaining 129%. Per student costs during the same period increased from \$33.72 to \$72.26, thus showing that the growth in the actual expenditures per student was the main reason for the increases in this decade. From 1920 to the high year of 1930 local school expenditures again grew faster than the enrollment, and we find a further increase in per student cost of from \$72.62 in 1920 to \$115.79 in 1930. A sharp drop due to hard times occurred in 1932 when per student expenditures were equivalent to \$84.56. The local school tax levies in 1933, the latest data available, show a further decline to \$25,540,731 as compared with \$37,649,852 in 1931.

The general trends, then, of elementary and secondary school costs may be summarized as follows:

Between 1870 and 1900 absolute expenditures increased at approximately the same rate as average attendance. Beginning in 1910, however, school costs grew more swiftly than average attendance, and we find that per student costs increased from \$33.72 in 1910 to \$115.79 in 1930. The depression of 1929-1934 caused this trend to be reversed temporarily, at least, and by 1932 per student costs had fallen to \$84.56.

The causes for the growth in school costs are familiar to all students of education. Educators have repeatedly pointed out, and rightly so, that the unprecedented increase in the services of the schools, that is, the widening of their curricula and the addition of the secondary levels of instruction, has necessarily caused absolute and per student expenditures to increase greatly. The increase in the number of high schools in Kansas since 1915, has been very rapid, and the outlays for new buildings have caused school costs to jump, especially since 1915. The reader's attention is called to the table in the notes following Table VII.

An important reason for the gain in school expenditures prior to 1920, was the rising general price level. As the purchasing power of the dollar

or services. The extent of the rise in the price level of all wholesale commodities is shown in Table IX. Here we can see that naturally some increase in school costs would have occurred without any increase in the services of the schools.

Table IX
Index Numbers of the Wholesale Prices of All Commodities,
for Certain Years 1870 - 1932

Year	1870	1880	1890	1900	1910	1915
Index Number (1910-14 average 135 equals 100)		100	82	82	103 (96) [‡]	101 (107) [‡]
1919	1920	1925	1928	1929	1930	1932
202 (194) [‡]	226 (207) [‡]	151 (169) [‡]	141 (170) [‡]	139 (174) [‡]	126 (169) [‡]	95 (109) [‡]

Source: Warren, George F., and Pearson, Frank A. Prices. New York, John Wiley and Sons, Inc., pages 10-13, and 187.

[‡] Retail prices paid by consumers for food.

After 1920 there was a decline in wholesale prices which was somewhat greater than the decline in retail prices, but nevertheless, the falling wholesale prices tended to drag down the retail prices, and this tendency is shown in Table 8 in regard to retail food prices. School costs have increased in the face of the declining price level since 1920.

To develop a whole picture of the trends in the costs of all publicly supported education in the state, the author has prepared Table X. This table shows the trends in the total expenditures for all governmentally supported schools in Kansas, and the trends in the enrollment in these schools. Between 1920 and 1925 expenditures increased 54.4% while enrollment increased

but 14.6%. This general trend continued through 1930 when total costs were 84.9% greater than they were in 1920, even though the enrollment was but 18.9% greater. The depression has caused the expenditures to be drastically cut, and in 1932 they were only 39.7% larger than in 1920, while the enrollment has remained almost the same as in the governmentally prosperous year of 1930. Expenditures fell still further in 1933 when they were but 20.2% more than in 1920.

The following general statement may be made in closing this chapter. The general trend between 1920 and 1930 was for school costs to increase faster than the enrollment and the main reason for this was the increase in the services and kinds of instruction given by the schools, both local and state.

Table XII - Cost of Public Education in Kansas, for Certain Years 1915 - 1933

Year	Cost of Elementary And Secondary Education (Supported Locally)	Expenditures Of Educational Institutions Supported by the State Government ^Δ	Total Cost Of Public Education	Percentage Of Increase In Cost Over 1920	Percentage Of Increase In Enrollment [Ⓒ] Over 1920
1915	\$12,573,540	\$2,438,118	\$15,011,658		
1920	22,512,308	3,771,276	26,283,584	0.0%	0.0%
1922	33,819,376	4,818,633	38,638,009		
1924	34,993,030	5,595,134	40,588,164		
1925	35,753,141	5,211,341	40,964,482	54.5	14.8
1926	35,303,036	5,834,136	41,137,172		
1927	30,979,360	6,150,078	37,129,438		
1928	39,409,848	6,465,994	47,875,842	82.1	15.8
1929	40,256,832	6,519,082	46,775,914		
1930	42,378,594	6,187,290	48,565,884	84.9	18.9
1931	37,649,852 [†]	5,869,141	43,518,993		
1932	31,051,638 [†]	5,658,816	36,710,454	39.7	18.6
1933	25,540,731 [†]	6,053,893	31,594,624	20.2	

Source: Biennial Reports of the Superintendent of Public Instruction of Kansas, for the years covered; and the Biennial Reports of the Auditor of State, for the years covered.

[†] These figures are local tax levies for school purposes and not actual expenditures.

[Ⓒ] The enrollment for the elementary and secondary schools is the average

Any discussion of rising governmental costs soon leads to the subject of highways, and available data rather consistently bear out the popular contention that expenditures for roads have increased greatly. This is especially true for the period of years since 1917. This again has been more true particularly of the state government's expenditures than those of the local units. No information could be secured from the State Highway Department for expenditures for state highways further back than 1927. In that year, as Table XI shows, the state spent \$10,184,599 upon roads and bridges. For the next two years slightly smaller sums were spent. But in 1930 the expenses of the Highway Department rose greatly. Beginning in 1930 and continuing through 1934 the yearly cost of the state's road building program ranged from \$19,872,301 in 1930 down to \$18,109,631 for 1933 and back up to the high of \$21,853,268 in 1934. The percentage of increase between 1927 and 1934 was 114.6%; and between 1927 and 1930 it was 95.1%.

attendance, and the enrollment for the state schools is that as of November first of each year. See Table VIII and Table VII. Comparable enrollment figures are not available for state schools for years back of 1920.

- △ These totals include expenditures of fees collected at the institutions. See note after Table VIII in Appendix for the institutions classified as educational and for the proportion of their expenditures that is made possible by the collection of fees, that have been automatically appropriated as soon as they are collected.

Table XI
Tax Levies and Expenditures By State and Local Governments for
Highways, Bridges and Streets, for Certain Years 1917 - 1934

Year	Tax Levies For Local Highways Bridges And Streets [†]	Expenditures By State Highway Department	Federal Aid To State (Included In Highway Department Expenditures	Total Expenditures For Highways Streets And Bridges By Local and State Government
1917	\$9,471,287		\$143,207	
1918			286,414	
1919			1,865,445	
1920			2,728,996	
1921			2,871,244	
1922	15,215,297		2,102,281	
1923			1,401,521	
1924			1,818,947	
1925	15,959,170		2,081,230	
1926			2,092,956	
1927		\$10,184,599	2,722,171	
1928	17,785,468	9,928,411	2,068,532	\$27,713,879
1929		9,644,099	2,062,196	
1930	18,465,978	19,872,301	2,058,305	38,338,279
1931	15,035,379	19,503,303	4,508,663 [Ⓢ]	34,438,682
1932	15,422,651	18,891,408	4,545,967 [Ⓢ]	34,314,059
1933		18,109,631	4,589,437 [Ⓢ]	
1934	7,135,886	21,853,278	8,327,299 [Ⓢ]	28,989,164

Source: Biennial Reports of State Tax Commission; The Kansas State Budgets for 1930-31, 1932-33, 1934-35, 1936-37; The Ninth Biennial Report of the Kansas State Highway Commission, 1933-34.

[†] Includes ^{tax levies} by counties, townships, cities and special benefit districts, for roads, bridges, and streets.

[Ⓢ] The figures for these years represent actual expenditures while those for the other years are receipts from the federal government. See the Ninth Biennial Report of the Kansas State Highway Commission, page 46. See Table IV for actual receipts.

The growth of the mileage of surfaced roads in the state highway system is shown in Table XII. The increase of the total surfaced mileage of the expensive types of surfacing such as paving or bituminous mat, is quite marked.

Table X in the Appendix gives statistics which might be of additional interest to the reader. Motor Vehicle registrations in Kansas for certain years from 1913 to 1934 are given.

Federal Aid which began in 1917, seems to have been a spur to the growth of the state highway system. By July 1, 1934 about half the surfaced mileage in the system could be considered as all weather, high speed roads.

Table XII

Surfaced Roads in Kansas State Highway System,
for Certain Years 1917 - 1934

Date	Total Surfaced Highway Mileage	Miles Hardsurfaced	Miles Of Bituminous Mat	Miles Of Oiled Surface	Miles of Gravel
April 1, 1917	0	0	0	0	0
Dec. 31, 1920	22				
Dec. 1, 1925	1,275				
April 1, 1929	2,754				
July 1, 1930	4,035	1,070			2,965
July 1, 1932	6,338	1,353	800		4,185
July 1, 1934	7,315 [†]	1,448	1,719	491	3,657

Source: Ninth Biennial Report of Kansas State Highway Commission, 1933-34, pages 64-70.

[†] Total mileage of the state highway system July 1, 1934 including 521 miles maintained by cities, was 9,211.

Local Roads and Streets

Road, street and bridge building cost local governments approximately \$9,471,287 in 1917²². This sum is the amount of property taxes levied by the local units, and consequently it is not the exact expenditures. As has been pointed out before, however, the local authorities, with the exception of the school officials, are not required to send in any reports on expenditures to the central state government, and therefore tax levies are the only means reasonably available to determine the expenditures of the local units. In 1922 the levies had increased to \$15,215,297, a gain of 60.6% over 1917. Thereafter the growth in the levies has been relatively moderate, until an

²² See Table XI, page 39.

all time high was reached in 1930 when the local governments spent \$18,465,978 for roads, bridges and streets. This was 95% more than the amount spent in 1927. Since 1930 there has been an abrupt decline in the totals; in 1934 the expenditures were only \$7,135,886, which was an actual decrease of 61.4% since 1930 and even a decrease of 24.7% as compared with 1917. There seem to be three main reasons for this decline.

1. The depression has caused financial retrenchment.
2. The state has come rapidly to the front as the main agency for highway construction and control.
3. A great many young cities have completed a large proportion of their hard surfaced streets within the last ten years, and they have no impelling need for more paving at the present time.

Getting 'Kansas out of the mud' seems to have been at least partially accomplished. The intensive road building programs of the last six or seven years may have left us with a road system that will be adequate for awhile. If our present system is adequate for the time being, expenditures on highways could be decreased, although a large amount would have to be spent each year for maintenance alone. That expenditures will be decreased is quite doubtful, however. The motorists are going to continue to demand more and better, perhaps wider highways, and as long as the gasoline tax proves to be such a productive and painless source of revenue, at least its receipts will be spent on the highways. There is rather widespread opposition to any plan for using this income for other purposes than roads, and rather than relinquish this steady producer of money for the government the political powers that be will rake and search until they find a highway upon which they can conspicuously spend the money. Also as long as the federal government continues to give the state highway funds which must be matched, Kansas will keep on building and improving her roads.

Unquestionably there are still many roads that need hard surfacing,

many pavements that should be widened, and a great number of railroad grade crossings that should be eliminated.

The Primary Departments, Legislative, Judicial and Executive

Before closing this chapter it might be well to site a few statistics showing the trends in the expenditures for the three primary departments of the state government, i.e., the judicial, executive and legislative departments. Few people today hold the naive notion that these functions of the government are about the only important reasons for governmental expenditures; but even so, the following facts will give a better picture of the extent of the trends. In 1921 these three departments spent a total of \$583,104, a sum equivalent to 5.87% of total state government expenditures for that year. In 1933 the corresponding figures were \$824,955 and 2.67%. During this period, then, the absolute expenditures for these departments increased 43% but the relative importance of these expenditures decreased 54.5%. The years 1921 and 1933 are used because the legislature meets regularly in odd number years only. The following table shows how much each department spent in 1921 and 1933.

Table XIII

Expenditures of the Legislative, Judicial and Executive Departments
of the State Government in 1921 and 1933.

Year	Legislative Department	Judicial Department	Executive Department	Total	Percent that these totals are of total state expenses
1921	\$106,700	\$273,399	\$203,005	\$583,104	5.87%
1933	136,382	396,190	292,383	824,955	2.67

1. The number of state institutions increased from 8 in 1880 to 28 in 1915. In the next nineteen years there was a small increase to a total of 30 in 1934. Total expenditures by state institutions grew from \$4,085,743 in 1915 to a high of \$10,528,434 in 1933, and then decreased to \$7,286,734 in 1934. The gain in expenditures between 1915 and 1934 was 78.3%. A large part of this increase was due to a growth of the number of students or the persons in these institutions. The enrollment at the five state schools for higher education was 30.3% greater in 1932 than in 1920, but the expenditures by the schools in 1932 were 46.5% greater than in 1920. Enrollment during these thirteen years increased less rapidly than expenditures. In 1934 this trend seems to have been completely reversed, temporarily at least; in that year expenditures were only 13.1% larger than in 1920, while enrollment was 41.4% greater.
2. During the last fifteen years the state educational institutions have been from one-fourth to one-third self-supporting by virtue of the fees that they collected.
3. The annual cost of elementary and secondary education increased rather irregularly between 1883 and 1908. Thereafter, through 1930, the trend in both absolute and per student costs was steadily upward. Between 1870 and 1900 absolute expenditures increased from \$673,041 to \$4,622,263 or 586.6%. Average attendance also increased to such an extent that per student costs were but slightly higher in 1900, when they were \$17.64, than they were in 1870, when they were \$17.26. Since 1900 expenditures have risen more swiftly than its average attendance, and a high in per student costs of \$115.79 was reached in 1930. In 1920 total expenditures were \$22,512,308 and the average attendance was 309,505. In 1930 the

expenditures were \$42,378,594 and the average attendance was 366,357. By 1932 the depression had caused the per student costs to decline to \$84.56 due to a fact that expenditures decreased to approximately \$31,051,638 while average attendance increased slightly to 366,648. A further decline is indicated by the fact that local property tax levies for school purposes had dropped to \$25,540,731 in 1933 as compared with \$37,649,852 in 1931. The main reasons for the increases in per student costs before 1920 were the rising price level and the growth in the number of high schools. Since 1920 the main reasons have been the continued growth in the number of high schools and the widening of the services and instruction given in both elementary and secondary schools.

4. The total annual cost of all public education in Kansas, both state and local, increased 84.9% between 1920 and 1930. During this same decade the enrollment increased but 18.9%. The depression caused a drastic decline in expenditures after 1930, and in 1932 they were only 39.7% greater than in 1920 even though enrollment remained practically the same as in 1930. Total school costs fell still further in 1933 when they were only 20.2% more than they were in 1920. The general trend, then, between 1920 and 1930 was for public school costs to increase faster than enrollment, but the depression has reversed this trend, temporarily at least. The total cost of public education in Kansas was \$15,011,658 in 1915; \$26,283,584 in 1920; \$40,964,482 in 1925; \$48,565,884 in 1930 and approximately \$31,594,624 in 1933.
5. The beginning by the federal government in 1917 of the practice of giving aid to states in their road building programs, was one of the most important reasons why state expenditures for highways have increased so rapidly since 1917. In that year Kansas had no surfaced highways in the state highway system. By 1929 she had 2,754 miles of surfaced roads; and in 1934 this had been increased to 7,315, about half of which was

high speed highways. In 1927 the state spent \$10,184,599 on roads; in 1930 it spent \$19,872,301, and in 1934 a total of \$21,853,278. The expenditures in 1934 were 114.6% greater than the expenditures in 1927.

6. Local governmental units increased their expenditures for roads, streets, and bridges from \$9,471,287 in 1917 to a high of \$18,465,978 in 1930, an increase of 95%. But in the next four years there was an abrupt decline in the total, and in 1934 the expenditures were only \$7,135,886, or an actual decrease of 24.7% as compared with the sum spent in 1917.
7. The old primary functions of the state government, the work performed by the legislative, judicial and executive departments, are responsible for a decreasing proportion of the state's expenditures. In 1921 these departments spent a total of \$583,104 which was equivalent to 5.87% of the state's expenses. In 1933 the corresponding figures are \$824,955 and 2.67%.

Trends in the State and Local Debt Burdens

For the State Government

The state government of Kansas was without any significantly large debt until the payment of the soldiers' bonus in 1924.²³ In 1880 the state government owed approximately \$994,000.²⁴ This was equivalent to \$1.00 per capita. The total and per capita debt continued to decline until it reached the small figure of \$78,000 in 1922, or only \$0.04 per capita. In 1922 the people voted to authorize the state authorities to issue as high as \$32,000,000 in bonds. In 1924 bonds were issued totalling \$31,250,000 and \$28,978,466 were paid to the world war veterans in Kansas. A special state property tax has since been levied to bring in revenue to be used to retire these soldiers' compensation bonds. The levy for this purpose has varied from .58 mills in 1929 (the low mill rate, so far) to .76 mills in 1934 (the high mill rate). The annual receipts from this tax have averaged a little over \$2,000,000. The debt is expected to be retired in about thirty years.²⁵ In 1928 the state debt was \$25,885,000, or \$13.94 per capita. By 1932 the corresponding figures were \$21,810,000 and \$11.53. The latest report on the amount of the state debt appears in the Kansas State Budget, for 1936-37. This source gives the debt as of July 1, 1934 as \$20,250,000 which was equivalent to about \$10.95 per capita. The state government seems to be able to reduce

23 In this discussion the debt of the Federal Government of which was approximately \$28.7 billions in June of 1934, is not taken into consideration. On a per capita basis the Kansas share of this debt would be about \$227.78 or a total of \$421,393,000. This is slightly over three times as great as the entire amount of the state and local governmental debts in Kansas in 1932.

24 See Table XI in the Appendix.

25 See Table IV, columns 3c to 7, inclusive, in the Appendix.

Local Governments

For local government there exists a somewhat different situation. In 1880 local units owed \$14,918,000, a sum equivalent to \$14.98 per capita. The debt increased to \$27.69 per capita in 1890, but twelve years later it stood at the lower figure of \$23.99. No doubt the depression of the ninties had something to do with this reduction. From 1902 to 1932, however, the rise in the debt has been rapid. In the former year it was \$35,143,000 and in 1932 it had risen to \$134,294,000; a gain of 282%.²⁶

During the period from 1902 to 1922 the per capita debt rose from \$23.99 to \$69.11; an increase of 176%. The year 1932 showed but a small increase over 1922. The latest statistics available, those for 1932, give the debts of local governments as equivalent to \$70.97 per capita.

In regard to what classes of local units carried the largest debt the reader is refered to Table XII, in the Appendix. This table gives total debts in 1932 for the classifications of state, county, city, school districts, township, and 'other civil divisions'. Here we discover that cities are carrying 43.5% of the total governmental debt load in Kansas; they owed \$67,890,795. School districts are next with \$34,149,718, representing 21.9% of the total. Counties with a debt of \$28,730,243 or 18% of the total are not so very far below the school districts. The state had a debt of \$21,810,291, which was 14.0% of the entire public debt burden. This information is the latest official data that is available at this time, but the continuation by the Federal government of this publication of comparable statistics in regard to debts within each of the forty-eight states, will prove invaluable in the future. The official name of this pamphlet is 'Financial Statistics of Local and State Government: 1932, [for] Kansas.'

²⁶ See Table XI in the Appendix.

Now let us take a brief look at the total debt burden of both the local units and the state government.²⁷ In 1880 the total debt burden was \$15,912,000, which was equivalent to \$15.97 per capita, or \$99.10 per each \$1000 of assessed wealth. By 1932 the total debt had increased to \$156,104,000, equal to \$82.51 per capita and to \$47.50 for each \$1000 of assessed wealth.

The debt per \$1000 of assessed wealth in 1880 is not comparable with the corresponding figure for 1932 due to the changed methods of assessment as explained earlier in this work. For 1912, we have statistics which are comparable with those of 1932. In that year (1912) the debt stood at \$52,868,000 or \$31.36 per capita, and was equal to \$18.29 per each \$1000 of assessed wealth. The burdensomeness of the debts measured by their relation to the assessed wealth increased during these twenty years, from 1912 to 1932, 151%. The rate of increase between 1922 and 1932 was much less than that. At the beginning of this ten year period the debt totalled \$123,470,000, which was \$69.16 per capita, and equivalent to \$34.70 per each \$1000 of assessed wealth. As has been stated, in 1932 the debt was equal to \$47.50 per each \$1000 of assessed wealth. The percentage of growth in this decade of the burdensomeness of the debt was 37%.

When the debt statistics covering the last two and one-half years are made available by the Census Bureau, no doubt interesting additional trends may be shown. The recent economic depression has not, it appears, caused a very large increase in local and state debts in Kansas, because the Federal government has shouldered a large proportion of the relief expenses here as well as in practically every state in the union.

It needs to be pointed out, again, that the measure of burdensomeness used in the preceding paragraphs is not absolute, and the actual ability to

²⁷ See Table XI in the Appendix.

in the state. Especially is this true when we realize that underassessment is widely practiced, and that it is practically impossible to determine the true value of much general property. The 'good will' of a business, its increased sales or production due to advertising or semi-monopolistic control, or skillfulness of its management, cannot be accurately measured by assessors. The assessed value remains, nevertheless, the one best basis in Kansas for measurement of general ability to pay. The information and statistics gathered through the operation of the state and national income tax laws, should finally develop a more accurate criteria by which we may judge ability to pay taxes.

Approximate total population in 1931 was estimated to be 3,000,000 and consisted practically all of the state government's debt, which was equal to \$15,000,000.

The debts of state institutions of higher learning amounted to \$1,000,000 in 1931 and were paid by the state. The total debt of the state in 1931 was \$15,000,000. School districts were assessed at 1931 valuations of \$1,000,000, or 10.0% of the gross total, and districts were assessed at 1931 valuations of \$1,000,000, or 10.0% of the gross total, and districts were assessed at 1931 valuations of \$1,000,000, or 10.0% of the gross total.

1. The per capita debt burden of all state and local governmental units increased from \$15.97 in 1880 to \$82.51 in 1932; an increase of 416%. The debt burden per \$1000 of assessed wealth grew from \$18.29 in 1912 to \$47.50 in 1932, a gain of 151%.
2. The rate of increase of the total debt was most rapid before 1922. From 1922 to 1932 the increase was 26% in comparison with an increase of 195% for the twenty years, 1912-1932.
3. The payment of the soldiers' bonus caused the state government to incur a debt of approximately \$30,000,000, a total thirty times greater than the highest debt during the period from 1880 to 1924. The soldiers' compensation bonds outstanding in 1934 and amounting to \$20,250,000 constituted practically all of the state government's debt, which was equal to \$10.95 per capita.
4. The debts of cities exclusive of their school districts, amounted to \$67,890,795 in 1932 and made up 43.5% of the total public debt of the state and local units. School districts were second with debts totalling \$34,149,718 or 21.9% of the grand total, and counties were third with debts equalling \$28,730,243 or 18.0%.

APPENDIX

THE REAL BURDEN OF PROPERTY TAXES LEVIED FOR ALL

1	2	3	4
Year	Population	Total Valuation Of All Property As Fixed By State Tax Board Or Commission ‡	Total Tax For All Purposes [Ⓔ] (Levied) (Includes, State And All Local Units Such As County, City, School Dist., Township, Etc.)
			Amount of Tax Per Capita
1880	995,966	\$160,570,761	\$5.72
1885	1,268,530	248,846,811	7.01
1890	1,464,914	348,459,943	9.17
1895	1,334,734	329,939,031	9.76
1900	1,444,708	328,729,008	9.38
1905	1,544,968	387,553,348	11.57
1910	1,696,361	2,752,108,678 [Ⓔ]	14.45
1915	1,672,545	2,884,623,601	20.24
1916	1,715,463	2,980,894,637	20.86
1917	1,736,900	3,075,273,628	23.71
1918	1,734,636	3,418,798,222	25.67
1919	1,759,793	3,437,541,808	31.60
1920	1,779,936	3,869,514,914	38.22
1921	1,792,926	3,794,827,003	42.37
1922	1,807,022	3,554,812,791	38.40
1923	1,824,190	3,577,130,254	41.45
1924	1,833,882	3,681,751,710	41.91
1925	1,812,986	3,630,293,878	43.84
1926	1,822,989	3,669,163,925	48.13
1927	1,837,514	3,674,105,303	49.93
1928	1,838,425	3,728,707,729	50.24
1929	1,850,000 ⁺	3,813,034,125	51.70
1930	1,880,999	3,683,723,305	49.90
1931	1,850,000 ⁺	3,656,912,773	46.40
1932	1,825,000 ⁺	3,286,809,589	39.30
1933	1,850,000 ⁺	2,742,260,819	34.80
1934	1,850,000 ⁺	2,716,102,723	34.3
1935			

Source: of Columns 1, 3 and 4 is Report of the Kansas Tax Code Commission Page 165, submitted to the Governor December 1, 1929; for last five figures in Column 3 see Kansas State Budget, 1936-1937, p.xiv (excellent bar graphs); for Column 2, 6 and 8 see Biennial Reports of the Auditor of State covering the years concerned.

Ⓔ The very large increase in valuation in 1910 over 1905 is due

PURPOSES IN KANSAS, 1880 - 1933 (Local and State)

5	6	7	8	9
Amount Of Tax Per \$1000 Of Assessed Wealth	Total Tax For State Government (Levied) ‡	Amount Of State Tax Per \$1000 Of Assessed Wealth	Total Expenses Of State Government ①	Amount Of State Expenses Per Capita
\$35.49	\$883,139	\$5.50	\$1,500,723	\$1.51
35.73	1,032,714		2,235,192	
38.55	1,480,954	4.25	2,594,099	1.77
39.43	1,402,240		2,655,072	
41.22	1,807,898	5.50	2,227,854	1.54
46.13	2,209,002	5.70	2,739,824	1.78
8.91	2,889,713	1.05	3,600,577	2.12
11.73	3,605,787		5,302,530	3.17
12.01	3,875,164	1.30	5,484,712	3.20
12.41	4,459,145		6,440,510	
13.03	3,999,995	1.14	7,125,856	4.11
16.18	6,015,698		8,171,642	
17.58	5,417,320	1.40	9,300,385	5.23
20.01	8,481,438	2.23	9,936,335	
19.49	5,900,986		10,835,574	
21.14	5,902,265	1.65	12,574,821	6.84
20.88	8,449,055	2.29	12,339,639	
22.18	9,330,757	2.57	13,108,994	7.23
23.91	9,126,255	2.49	16,618,347	9.12
24.97	9,646,378	2.63	21,880,328	11.90
24.77	7,522,585	2.02	25,653,449	13.95
25.09	7,436,241	1.95	24,388,427	
25.48	7,367,446	2.00	35,807,071	23.48
23.49	6,841,072	1.87	36,146,531	19.54
21.82	6,101,284	1.86	34,245,970	18.76
23.48	6,823,850	2.49	30,948,064	16.73
	5,266,309	1.93	29,591,583	15.99

to a change in the assessment policy, i.e., property was thereafter assessed at a figure more nearly representing its 'full cash value' as was required by law. Therefore the period before 1910 is not truly comparably with the years since. Each period must be considered alone.

‡ This column does not represent the total wealth in the

state but rather the real and personal property assessed valuations which are something less than the actual value. See Table VI in the Appendix, and Table II, p. 4.

- ‡ Beginning in 1924 this included state property tax for both the general fund and the soldier's compensation fund. (See Table IV)
- + Approximate population. The twenty-ninth Biennial Report of Auditor State gives the population 1933 and 1934 as approximately 1,836,000
- ⊙ These expenses were met out of revenue from property taxes shown in Column 6, and from revenue raised from such sources as the gasoline tax, inheritance tax, fees at state institutions, etc. See Table IV in Appendix and Table IV, p. 23.
- ⓐ Includes special assessments.

Part 1

(Figures in Thousands)

County And Other Civil Divisions	Total	Per Capita	Operation and Main-				
			Total	General Govern- ment	Protection to Person and Pro- perty	Health and Sani- tation	Hi- ways
Grand Total	129,550	68.47	84,415				
State Gov't	33,655	17.79	16,513	1,173	1,009	381	3,833
Counties	25,025	13.23	19,358	5,713	742	211	6,475
Cities	25,935	25.12	10,050				
School Dist.	39,432		33,364				
Townships	5,211		5,027				
Other Civil Divisions	292		103				

Part 2

GOVERNMENTAL REVENUE RECEIPTS

County And Other Civil Divisions	Estimated Population	Total Revenue Receipts	Per Capita	Taxes			
				Total	General Property	Special Inher- itance	All Ot- hers
Grand Total	1,892,000	132,525	70.04	96,468	79,028	463	769
State Gov't	1,892,000	33,855	17.89	23,517	7,321	431	405
Counties	1,892,000	24,530	12.97	19,877	19,324	32	364
Cities	1,032,291	29,736	28.81	13,659	13,048		
School Dist.		38,244		33,968	33,968		
Townships		5,689		5,145	5,065		
Other Civil Divisions		471		302	302		

⊕ Includes various business taxes, motor fuel and license taxes, dog-licenses, marriage licenses. See p. 3 of source.

UNITS IN KANSAS : 1932

tenance of General Departments						Operation and Main- tenance of	In- ter- est	Out- lays
Chari- ties Hospit als and Correc- tions	Schools	Libra- ries	Recre- ation	Develop- ment and Conserva- tion of Natural Resources	Misc.	Public Ser- vice enter- prises		
						6,842	7,591	30,702
2,804	5,689	65	45	1,062	452	208	1,591	15,884
2,485	2,862	11	11		848		1,221	4,446
						6,622	3,388	5,875
							1,722	4,346
						12	55	117
				73	30		155	34

FOR ALL UNITS IN KANSAS : 1932

Poll	Licenses and Permits [⊕]	Special Assess- ments	Fines, Forfeits and Escheats	Subven- tions and Grants	Donations Gifts and Pension Asses- ments	Highway Privil- eges, Rents and in- terest	Earn- ings of gen eral depts.	Earn- ings of public Service Enter- prises
201	16,007	5,405	270	9,903	22	1,746	7,836	10,875
	15,360	692		4,986		779	3,262	619
	157	79	124	2,691		408	1,351	
129	482	4,510	146	47	18	514	597	10,245
				1,722			2,554	
72	8			455	4	8	66	11
		124		2		37	6	

Source: Financial Statistics of State and Local Gov'ts: 1932 for Kansas, page 26 for Part 1 and page 7 for Part 2

Table III (Part 1)

TOTAL STATE EXPENDITURES, 1880 - 1909

Year	Amount Expended From General Revenue Fund (Raised From State Property Tax And Others)	Amount Expended From Special Revenue Fund (Raised From Fees, Licenses, Rents, Etc.)	Total Expenses Of State Government
1880	\$843,575 [†] 710,276	\$790,447 [⊗]	\$1,500,723 [⊠]
1885	881,226 [†] 1,039,977	1,195,215 [⊗]	2,235,192
1890	1,445,317 [†] 1,018,630	1,575,469 [⊗]	2,594,099
1895	1,330,172 [†] 1,493,405	1,161,667 [⊗]	2,655,072
1899	1,420,284 [†] 1,618,463	1,111,674 [⊗]	2,227,854 [⊠] 2,730,137
1905	2,287,855 [†] 2,609,490	2,301,007 [⊗]	2,739,824 [⊠] 4,910,497
1906	1,652,803 [†] 2,484,069	1,918,241 [⊗]	2,640,410 [⊠] 4,402,310
1907	2,503,826 [Ⓜ]	159,325	2,663,151
1908	3,182,435	225,915	3,408,350
1909	3,419,697	249,839	3,669,537

Notes to Table III (Part 1)

Source: Biennial Reports of Auditor of State (For the years covered in the table).

[†] These are receipts into general fund from taxes levied upon general property

[⊗] This includes many sources that are not included later. Some of these are "School Funds" which included in 1884, interest and principle payments on school land sold, etc., amounting to \$1,018,543. See page 154 in 1884 report; page 3 in 1905 report.

[⊠] Total receipts from all sources except taxes in 1879=\$549,300; all receipts=\$1,593,104 (This included much interest and principle on school land. For 1880 the figures are: \$694,455; \$1,945,421.

[⊠] This figure is for 1901.

[⊠] These figures are to be used in making comparisons with total state government burdensome expenditures from 1880-1934. The figures back to 1880 are not quiet comparable for the reasons given in note [⊗] above.

[Ⓜ] The author did not compile data described under note [†] for the years 1907, 1908, 1909, 1911 and 1912.

Table III (Part 2)

TOTAL STATE EXPENDITURES, 1910 - 1934

Year	1 Amount Expended From General Revenue Fund (Raised From State Property Tax And Others)*	2 Amount Expended From Special Revenue Fund (Raised From Fees, Rents, Etc.)†	Total Expenses Of State Government	Unexpended Balances From Items 1 and 2
1910 [†]	\$3,282,559 ^① 3,380,062	\$220,515	\$3,600,577	
1911	3,578,714	401,000	3,979,715	
1912	3,896,870	529,561	4,750,948	
1913	4,021,126	729,821	4,750,948	
1914	4,192,482	712,403	4,904,886	
1915	3,371,025 ^① 4,479,942	822,588	5,302,530	\$799,312
1916	3,508,011 ^① 4,387,502	1,097,209	5,484,712	796,626
1917	3,567,843 ^① 4,956,979 ^①	1,483,531	6,440,510	958,110
1918	3,972,892 ^① 5,079,122	2,046,734	7,125,856	1,036,082
1919	4,226,339 ^① 5,511,653	2,659,988	8,171,642	1,309,001
1920	4,711,408 ^① 7,074,643	2,225,742	9,300,385	1,363,068
1921	5,470,168 ^① 7,058,632	2,877,703	9,936,335	1,841,823
1922,	6,642,084 ^① 8,035,100	2,800,474	10,835,574	3,238,026
1923	7,131,209 ^① 9,423,794	3,151,026	12,574,821	2,622,494
1924	6,506,050 ^① 8,988,898	3,350,740	12,339,639 ^①	2,118,785
1925	6,241,661 ^① 8,676,936	4,432,058	13,108,994	2,046,085
1926	6,013,120 ^① 8,727,254	7,891,092 [†] 13,198,917 ^①	16,618,347 21,926,171 ^①	5,721,984
1927	7,398,690 ^① 8,955,406	12,924,921 17,002,054 ^①	21,880,328 25,957,000 ^①	5,831,946
1928	5,760,709 ^① 9,518,768	15,818,680 19,197,336 ^①	25,653,449 28,716,105 ^①	4,037,067
1929	7,631,989 ^① 9,430,420	32,118,046 14,958,007 ^①	41,548,466 24,388,427 ^①	11,605,701
1930	4,054,229 ^① 9,546,047	34,632,157 26,261,024 ^①	44,178,205 35,807,071 ^①	6,064,347
1931	6,444,637 ^① 9,486,823	26,659,708	36,146,531	5,026,530
1932	5,052,800 ^① 8,488,424	25,747,546	34,235,970	5,411,970
1933	4,994,160 ^① 10,132,759	20,815,305	30,948,064	3,971,327
1934	3,945,080 ^① 7,000,654	16,880,513	29,591,583	5,751,917

Notes to Table III (Part 2)

Source: Biennial Reports of Auditor of State, for the years covered.

- * For a list of the sources of income to the state general fund see report of auditor of state, 1933-1934, page 203. The main sources were "State Taxes", "Cigarette Tax", "Impounded Custodial Interest", "Secretary of State, Corporation Tax", "Interest on Deposits (net)," "Excise Tax, Car and Express Companies" and "Bank Examination Fees".
- † For a list of the sources of income to the state special fund see pages 78-81 in the 1933-1934 report. All the reports carry this information.
- ⊙ These are receipts into general fund from taxes levied upon general property. This does not include all state property tax receipts; see Table IV, columns 4, 5, 6 and 7.
- ⊕ In this year \$28,978,466 was expended for the soldier's compensation.
- ‡ The main reason for the great increase in this item from 1926 and on can be attributed to gasoline taxes and auto license collections. Of course, in recent years fees at state institutions have brought in increased amounts. Examine information on page 79 in 1929 report, and page 72 in 1931 report.
- ⓓ These figures are given in several comparative summaries but state auditor, Ed. J. Powers, informs me that the top figures are correct.
- ‡ For years back to 1880 see first part of Table III.

Assessed Valuation

1 Year (fiscal)	2 Total Valuation of All Property as Fixed by State Tax Board or Commission				3 General (a) State Tax
	Total (a)	Tangible (b)		Intangible (c)	
1880	\$160,570,761	Average value per acre = \$3.90 (of taxable land)			
1885	248,846,811	"	"	"	4.13
1890	348,459,943	"	"	"	3.82
1895	329,939,031	"	"	"	3.63
1896	321,157,487	"	"	"	3.25
1900	328,729,008	"	"	"	3.45
1905	387,553,348	"	"	"	3.94
1906		"	"	"	4.22 ⁺
1910	2,752,108,678				1.05
1915	2,884,623,601				1.25
1916	2,980,894,637				1.3
1917	3,075,273,628				1.45
1918	3,418,798,222				1.17
1919	3,437,541,808				1.75
1920	3,869,514,914				1.40
1921	3,794,827,003				2.255
1922	3,554,812,791				1.66
1923	3,577,130,254				1.65
1924	3,681,751,710	(begins)		(begins)	1.64
1925	3,630,293,878	\$3,481,626,270		\$148,667,608	2.0377
1926	3,669,163,9255	3,510,098,310		159,065,615	1.9754
1927	3,674,105,303	3,520,576,524		153,528,779	2.0603
1928	3,728,707,729	3,582,183,619		146,524,110	2.0603
1929	3,813,034,125	3,633,173,426		149,860,699	1.45
1930	3,683,723,305				
1931	3,656,912,773	3,437,725,076		219,187,697	1.43
1932	3,286,809,589	3,081,456,392		205,353,196	1.33
1933	2,742,260,819	2,575,038,819		167,222,788	1.88
1934	2,716,102,723	2,556,461,449		159,641,274	1.3
					Grand Total (Exclusi

Grand Tot
(Exclusi

Information About Table IV

Source: Biennial Reports of Auditor of State for the years covered.

† The assessed value of 'Money and Mortgages' in 1905 was:
 Money - \$4,484,895; Mortgages - \$4,207,884; for 1906:
 " 4,799,924; " 4,033,923.

□ The people voted bonds in 1922 to pay World War soldiers in Kansas approximately \$29,500,000 as a bonus. The payments based on days in service ranged from \$9.00 to \$800.00

Table IV (Part 1)

AN AND PROPERTY TAX LEVIES FOR THE STATE GOVERNMENT OF KANSAS
FOR CERTAIN YEARS 1880 - 1934

State Property Tax Levies					
1 on of All Property State Tax Board Commission		3 State Levy For:			5 State Tax For Soldiers' Compensation Sinking Fund (Levied)
2 ible (b)	Intangible (c)	General State Tax	(a) Intangibles (b)	Soldiers' (c) Compensation, bonus	4 General State Tax (Levied)
e value per acre = \$3.90 of taxable land)					\$883,139
"	"	4.13			1,032,714
"	"	3.82	4.25 mills		1,480,954
"	"	3.63	4.25		1,402,240
"	"	3.25			
"	"	3.45	5.5		1,807,898
"	"	3.94			2,209,002
"	"	4.22			
		1.05			2,889,713
		1.25			3,605,787
		1.3			3,875,164
		1.45			4,459,145
		1.17			3,999,995
		1.75			6,015,698
		1.40			5,417,320
		2.25			8,481,438
		1.66		(begins)	5,900,986
		1.65		0.674 mills	5,902,265
		1.64	(begins)	.6675	6,038,069
		2.0377	1/6 of 25¢ on each \$100	.6423	7,094,509
(begins)	\$143,667,608		"	.6246	6,933,848
		1.9754	= \$66,277		2,192,467
		2.0603	1/6 of 50¢ on each \$100	.6797	2,392,935
			= \$127,940		
		2.0603	"	.6797	5,373,275
			= \$122,100		2,149,310
		1.45	"	.58	5,311,601
			= \$124,883		2,124,640
		1.43	"	.56	5,267,724
			= \$182,656		2,099,722
		1.33	"	.65	4,915,946
			= \$171,127		1,925,126
		1.88	"	.77	4,098,337
			= \$139,352		2,002,947
		1.3	"	.76	4,841,071
			= \$133,033		1,982,779
					3,323,399
					1,942,910
Grand Totals for the years 1928-1933 →				29,807,954	12,284,524
(Exclusive of the incomplete years of 1934)					

Table IV
Director of State for the
Mortgages! in 1905 was:
for 1906:

Year (fiscal)	6 Receipts From Counties Into State Treasurer (This revenue is for the state <u>general fund</u> and the taxes are levied on general property. See item 3, a.)†	7 Receipts From Counties Into State Treasurer (This revenue is for the <u>Soldiers'</u> <u>Compensation</u> <u>Sinking Fund</u> , and the tax is levied upon general property See item 3, c.)	8 Receipts From Counties Into State Treasurer From The <u>Inheritance</u> <u>Tax</u>	State Born By (Received <u>Gasoline Tax</u> (3¢ per gallon since 1929
1880	\$810,682			
1885	881,226			
1890	1,445,317			
1895	1,330,172			
1900	1,420,284‡			
1905	2,287,855			
1910	2,622,407		\$8,827	
1915	3,374,909		72,809	
1916	3,508,011		64,117	
1917	3,567,843		372,567	
1918	3,972,892		150,344	
1919	4,226,339		248,530	
1920	4,711,408		426,177	
1921	5,471,418		556,118	
1922	6,644,227		333,398	
1923	7,131,309	(begins)	346,015	
1924	6,506,065	\$2,169,887	380,568	(begins)
1925	6,257,019	2,445,544	402,042	\$483,174
1926	6,233,282	2,262,176	511,974	4,034,326
1927	7,403,171	2,168,870	516,071	4,628,497
1928	5,760,709	2,283,224	715,655	5,398,938
1929	7,646,488	2,179,865	595,630	6,962,552
1930	4,105,611	2,000,293	684,224	10,607,112
1931	6,466,185	2,076,136	546,859	10,619,359
1932	5,212,753	2,236,013	431,469	8,036,841
1933	3,613,344	1,760,418	296,500	7,362,680
1934	2,758,557Ⓢ*	1,630,325Ⓢ*	343,895	8,241,437

Grand Totals for 32,805,090 12,535,946

the Years
1928-1933
(Exclusive of the
incomplete year
or 1934)

‡ These are listed in the reports under the heading of "State Taxes Including D and E Credits". See page 72 in 1915-16 Report and page 196 in 1925-26 Report. These D and E Credits usually amount to a few thousand dollars only. D and E means double and erroneous assessments. See Table III, small figures in column 2, for actual amount that went into general fund from state property tax.

† For year 1899.

Ⓢ Tax levied in 1933 and collected to August 31, 1934.

* According to information given in the Kansas State Budget for 1936 and 1937 total collections under these two headings were \$4,984,037. This figure is used in the computations in the thesis.

Tax levied in 1933 and collected to August 31, 1934.

Ⓢ This does not include property taxes paid on automobiles.

Ⓢ For these years Registration in addition to others appear.

Ⓢ There is a tax on companies, 4% a flat sum on

Ⓢ This is based on the filing

Ⓢ 4% of gross

Ⓢ 2¢ per 20 cigs

See Report of the governor regard to the and by whom tax and for what

From The Inheritance Tax	Gasoline Tax (a) (3¢ per gallon) since 1929	Motor-Vehicle- License Tax (b)			
			\$17,517		
			35,767		
			56,963		
			111,845		
			183,974		
\$8,827			269,165		
72,809			349,293	\$186,202	\$108,687
64,117		\$48,959 ^o	402,547	184,087	56,705
372,567		71,043 ^o	455,032	250,372	
150,344		107,398 ^o	485,252	254,858	
248,530		101,555 ^o	562,072	296,358	
426,177		110,465 ^o	759,466	290,163	
556,118		143,596 ^o	799,428	327,906	105,474
333,398		156,284 ^o	761,686	340,924	109,781
346,615		302,950 ^o	767,743	350,754	
380,568	(begins)	199,207 ^o	825,492	343,858	
402,042	\$483,174	217,597 ^o	854,008	349,888	150,768
511,974	4,034,326	244,871 ^o	930,802	349,721	209,551
		261,705 ^o			
		(begins)			(begins
516,071	4,628,497	3,222,571			\$110,711
		275,257 ^o	988,017	355,375	172,539
715,655	5,398,938	3,415,137			
		278,619 ^o	665,147	333,369	239,773
595,630	6,962,552	3,560,180			689,400
		307,658 ^o	1,073,243	349,477	695,511
684,224	10,607,112	4,101,886			
		42,435 ^o	1,356,636	368,978	239,590
546,859	10,619,359	488,986			682,455
431,469	8,036,841	5,658,753	1,006,502	373,817	223,452
296,500	7,362,680	5,252,435	986,891	360,132	583,190
343,895	8,241,437	3,023,764	822,930	323,874	225,810
		3,155,705	762,355	315,293	177,636
					304,422
					385,477

ing of "State
2 in 1915-16
D and E Credits
D and E means
II, small fig-
into general

o For these years the receipts are listed under heading "Auto Registration Fees". See 1921-22 RePort, page 261. This is in addition to the Motor-Vehicle-License Tax when two num- bers appear.

o There is a tax of 2% on the gross premiums on out-of-state companies, 4% tax on alien companies and \$50 annual fee as a flat sum on all companies.

o This is based upon the filing of articles of incorporation and the filing of annual report.

△ 4% of gross receipts of express companies.

X 2¢ per 20 cigarettes and 1¢ per 150 cigarette papers.

See Report of the Kansas Tax Code Commission, submitted to the governor December 1, 1929, page 163 for information in regard to the bases of the various state taxes and fees, and by whom they are administered, into what fund they go and for what purposes the revenue is spent.

1934.

ate Budget
e two headings
omputations

1934.

utomobiles.

FEDERAL TAXES

For Certain Years

Year	Total Federal Taxes In Kansas	Total Income Taxes (Corpor- ate And Indi- vidual)	Net Individual Income
1916			
1917			
1918			
1920			\$306,413,000
1921			217,237,000
1922			211,062,000
1923			215,347,000
1924	\$20,735,000	\$17,323,000	203,034,000
1925	17,380,000	15,141,000	141,511,000
1926	17,436,000	15,563,000	153,673,000
1927	20,215,000	19,627,000	157,394,000
1928	19,307,000	18,686,000	162,395,000
1929	17,935,000	17,270,000	181,661,000
1930	17,134,000	16,668,000	127,629,000
1931	13,691,000	13,340,000	91,616,000
1932	7,141,000	6,864,000	
1933	9,048,000	4,297,000	

The author was unable to secure information for those items and years that are not filled in.

PAID IN KANSAS

1916 - 1933

Corporation Net Income	Individual Income Taxes Paid	Corporation Income Taxes Paid	Miscellan- eous Internal Revenue
\$104,070,570		\$2,073,911	
121,396,212		19,611,875	
81,794,544		19,619,483	
	\$8,351,000		
	3,392,000		
	3,246,000		
87,086,000	2,119,000	10,271,000	
84,611,000	1,918,000	9,833,000	\$3,412,000
109,216,000	2,222,000	13,443,000	2,239,000
131,459,000	2,756,000	17,017,000	1,873,000
99,606,000	2,241,000	12,807,000	588,000
108,127,000	2,928,000	12,099,000	621,000
134,228,000	2,548,000	13,952,000	665,000
74,321,000	1,480,000	8,241,000	466,000
32,439,000	880,000	3,435,000	351,000
			277,000
			4,751,000

Sources: Statistical Abstract of United States (for
the years above)

TABLE VI

WEALTH IN KANSAS AS REPRESENTED BY TANGIBLE PROPERTY

Wealth in Kansas				Wealth in United States			
Year	Amount in Millions	Per Capita	Taxable In Millions	Year	Amount in Millions	Per Capita	Taxable In Millions
1890	\$1,799	\$1,261		1890	\$65,037	\$1,036	
1900	1,938	1,318		1900	88,517	1,165	
1904	2,253	1,468		1904	107,104	1,318	
1912	4,580	2,632		1912	186,300	1,950	
1922	6,264	3,493	\$5,995 [†]	1922	320,804	2,918	\$300,298

† The amount of assessed tangible property in Kansas in 1922 is given in the Biennial Report of Auditor of State (1921-22) as \$3,554,812,791. This difference indicates the degree of under assessment in Kansas.

Source: Statistical Abstract of United States: 1934, p. 262.

Table VII

NUMBER OF STATE INSTITUTIONS IN KANSAS, 1880-1930

1880 [†]	1890	1900	1910	1915	1920	1925	1930 [⊙]
8	9	16	20	28	27	30	30

Source: Biennial Reports of Auditor of State, for the years covered.

† In 1880 these were: The State Penitentiary
University
Agriculture College
Normal School (Emporia)
Asylum for Blind
Asylum for Insane
Asylum for Deaf and Dumb
State Library

⊙ The institutions counted here are:
State Sanitorium for Tuberculosus
Larned State Hospital
State Soldiers Home
Agricultural Experiment Stations at Colby, Tribune,
Garden City and Hays
Kansas State College At Hays
School for Blind
School for Deaf
State Home for Epileptics
State Orphans Home
State Training School (Winfield)
State Hospital (Osawatomie)
State Penitentiary
State Library
Industrial Farm for Women
Industrial School for Boys
Topeka State Hospital
Kansas State Agricultural College
Kansas State Teachers College (Emporia)
Kansas State Teachers College (Pittsburg)
Kansas Vocational School (Topeka)
University of Kansas
University Medical School
Western University
Reformatory for Boys
Mother Bickerdyke Home
Industrial School for Girls
Memorial Building
Parks, fairs, etc. are not included here.

Table VIII

AMOUNT EXPENDED BY STATE INSTITUTIONS, EDUCATIONAL, CHARITABLE,
PENAL AND PATRIOTIC, FOR CERTAIN YEARS 1915 - 1934

Year	From General Fund I				
	① Educational	② Charitable	③ Penal	④ Patriotic	Total
1915	\$1,989,041	\$855,078	\$467,447	\$147,131	\$3,458,697
1920	2,739,309	1,210,005 [□]	776,446 [□]	212,439 [□]	4,894,435 [□]
1921	2,695,545 [□]				
1925	3,581,166	1,401,183	965,459	335,135	6,282,943
1930	4,068,914	1,932,253	1,272,534	276,518	7,549,219
1931	3,782,506	2,124,607	1,174,800	265,778	7,347,691
1932	3,809,201	1,484,435	1,033,963	201,624	6,529,223
1933	4,439,873	1,695,759	1,549,090	395,981	8,080,703
1934	2,985,629	1,316,669	817,519	183,824	5,303,641

From Special Fund (Fees) II					Total I And II	Total State Expenditures For All Purposes
① Educational	② Charitable	③ Penal	④ Patriotic	Total		
\$449,077	\$68,391	\$105,799	\$3,779	\$627,046	\$4,085,743	\$5,302,530
1,031,967	229,785 [□]	259,673 [□]	8,446 [□]	1,848,400 [□]	5,742,835 [□]	9,300,385
1,350,496 [□]						
1,630,175	282,602	585,816	18,261	2,516,854	8,799,797	13,108,994
2,118,376	217,354	558,536	3,856	2,898,122	10,447,341	44,178,205 ⁺
						(or)
						35,807,071
2,086,635	198,891	451,732	2,968	2,740,226	10,087,917	36,146,531
1,849,615	342,409	452,480	5,899	2,650,403	9,179,626	34,235,970
1,614,020	353,827	477,380	2,504	2,447,731	10,528,434	30,948,064
1,252,744	235,504	489,443	5,402	1,983,093	7,286,734	29,591,583

Arthur Rickard, Sec. (Illinois)
State College (Illinois)
Board of Trustees for State College (Illinois)
Grand Army of the Republic
United States for Veterans

Source: Biennial Reports of Auditor of State for the years covered

④ See Auditors Report for 1915-16, page 17.

See Auditors Report for 1921-22, page 155 and other reports.

‡ The first figure appears in the report for 1929-30 and the second figure in the later general comparative statement in a subsequent report. State Auditor Ed. J. Powers wrote the compiler of this chart that the larger figure was correct.

① State Institutions included are:

(Under the Board of Regents)

University of Kansas,

School of Medicine (Kansas City)

Kansas State College of Agriculture and Applied Science

Agricultural Experiment Stations at Hays, Colby, Garden City and Tribune

Kansas State Teachers College (Emporia)

Kansas State Teachers College (Pittsburg)

Fort Hays Kansas State College

(Under the Board of Administration)

School for Blind (Kansas City)

School for Deaf (Olathe)

Kansas Vocational School (Topeka)

Western University (Kansas City)

② State Institutions included are:

(These are under the Board of Administration)

Topeka State Hospital

Osawatomie State Hospital

Larned State Hospital

State Hospital for Epileptics (Parsons)

State Sanatorium for Tuberculosis (Norton)

State Training School (Insane, at Winfield)

State Orphans Home (Atchison)

③ State Institutions included are:

(Under Board of Administration)

Kansas State Penitentiary

Kansas State Industrial Reformatory (Hutchison)

Women's Industrial Farm (Lansing)

Boys' Industrial School (Topeka)

Girls' Industrial School (Beloit)

④ This classification includes:

Mother Bickerdyke Home (Ellsworth)

State Soldiers' Home (Dodge City)

Board of Managers for State Soldiers' Home

Grand Army of the Republic

United Spanish War Veterans

☐ Totals for 1921; Educational expenditures are for 1920.

DATA CONCERNING

IN KANSAS (Elem-

School Census

Year	1 Population of State	2 School Census	3 School Census Per Cent of Popu- lation	4 Enrollment	5 Average Attendance
1861	107,206	4,901		2,210	
1862					
1870	364,399	119,244	32.7	63,218	39,401
1872					
1880	955,966	340,647	35.6	231,434	137,667
1890	1,423,485	509,614	35.8	391,420	237,900
1896					
1900	1,444,708	508,854	35.2	389,582	261,785
1910	1,696,361	516,061	30.4	398,746	291,329
1914	1,672,106	503,011	30.0	392,662	310,803
1915	1,672,545	507,601	30.35	394,823	308,892
1918	1,734,341	520,991	30.04	405,319	288,236
1920	1,779,936	522,457	29.35	406,880	309,505
1924	1,833,382	537,092	29.3	424,501	363,840
1925	1,812,986	540,936	29.84	425,012	353,503
1927					
1928	1,828,425	544,524	29.78	425,424	357,029
1930	1,851,024	555,080	29.98	432,749	366,357 ⁺
1932	1,813,385	545,839	30.10	424,314	366,648

Source: Biennial Report of the State Superintendent of Public Instruction of Kansas, 1931-32; for first seven columns of the table see page 401; for columns 8, 9, 10 and 11, page 402.

① High for all time

PUBLIC EDUCATION

entary and Secondary)

And Attendance

6	7	8	9	10	11	
Per Cent Of School Census Enroll- ment	Per Cent Of In Attend- ance	Average Length Of School Term In Weeks	Number Of School Districts Maintaining Schools	Number Of Teachers	Average Monthly Salary Of Teachers	
					Male	Female
45.1						
		12.8	534	319	\$24	\$13
53.0	62.33	21.6				
67.9	59.48					
76.8	60.8					
			9,284 [⊕]			
76.6	67.2	25.4				
77.3	73.1	29.4				
78.1	79.2					
77.78	78.74					
71.5	71.13		8,791 ^Δ			
77.88	76.07	32.8				
79.04	85.71					
78.51	83.17	35.0				
				19,683 [⊕]	164 [⊕]	139 [⊕]
78.13	88.0					
77.96	84.66	32.58	8,755			
77.75	86.4	32.5	8,528	18,917	150	111

⊕ High for all time

⊙ High for all time

+ High for all time was 370,713 in 1931

Δ For 1919

Table X

MOTOR VEHICLE REGISTRATIONS: PASSENGER CARS
AND MOTOR TRUCKS COMBINED

Year	In Kansas	In United States
1913	34,550	1,258,000
1915	72,520	2,445,666
1920	294,159	9,231,941
1925	457,033	19,937,274
1929	581,223	26,501,443
1930	594,523	26,545,281
1931	559,176	25,814,103
1933	522,325	

Source: Statistical Abstract of the United
States: 1932, page 360; 1934, page 342.

Table XI

DEBTS OF STATE AND LOCAL GOVERNMENTS IN KANSAS

FOR CERTAIN YEARS 1880 - 1932

(Combined Gross Debt Less Sinking Fund Assets)

Year	(Amounts in \$1000) Except per capita		(Amounts in \$1000) Except per capita		Per Cap- ita For Local And State	Per Cap- ita For State
	For Local Government	Per Capita	For Local And State	For State Alone		
1880	\$14,918	\$14.98	\$15,912	\$994	\$15.97	\$1.00
1890	39,509	27.69	40,629	1,120	28.47	.76
1902	35,143	23.99	35,774	631	24.42	.43
1912	52,625	31.22	52,868	243	31.36	.14
1922	123,392	69.11	123,470	78	69.16	.04
1928				25,885		13.94
1929				24,477		13.11
1932 [†]	134,294	70.97	156,104	21,810	82.51	11.53

Source: Statistical Abstract of United States: 1931,
page 230-1

[†] Figures for 1932 are from Table XII in appendix

COSTS, EXPENSES, TAX - LEVIES

Division Of Government	Revenue Receipts		Governmental Costs	
	Total	Per Cent Of Total	Total	Per Cent Of Total
Total	132,522,328 [‡]	100.0	129,550,377	100.0
State Gov't	33,855,684	25.5	33,654,973	26.0
Counties	24,529,595	18.5	25,025,525	19.3
Cities	29,735,867	22.4	25,935,161	20.0
School Dists.	38,244,104	28.9	39,431,608	30.4
Townships	5,688,368	4.3	5,211,335	4.0
Other Civil Divisions	470,710	.4	291,776	.2

[‡] For 1922 Comparative Figures Are:

Total	123,470,000
State Government	78,000
Counties	21,998,000
Incorporated Places	69,501,000
All Other Civil Divisions	31,893,000

AND DEBT IN KANSAS: 1932

Gross Debt Less Sinking Fund Assets		General Property Tax Levies		General Property Tax Receipts
Total	Per Cent Of Total	Total	Per Cent Of Total	Total
156,104,613	100.0	80,362,231	100.0	79,029,000
21,810,291 [†]	14.0	7,254,667	9.0	7,321,000
28,730,243	18.0	18,869,636	23.5	19,324,000
67,890,795	43.5	13,585,907	16.9	13,048,000
34,149,718	21.9	34,716,608	43.2	33,968,000
1,203,086	.8	5,600,354	7.0	5,065,000
2,320,480	1.5	335,059	.4	302,000

Source: Financial Statistics of Local and State Government:
1932, for Kansas, page 2.

[†] This is practically all for the soldier's bonus for which a
debt was incurred to pay out \$28,974,466 in bonuses in 1924.

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c1932]

Good source of general information on taxation, with especial attention given the Kansas system.

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Excellent source of general statistical information of all kinds pertaining to both state and national conditions.

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Used Table I on pages 10-13. Excellent source of information about fluctuations and trends in general price level.