

FREE CITY OF DANZIG

47658/12570.

SUMMARY OF BUDGET ESTIMATES FOR THE FREE CITY
VOTED ON DECEMBER 17TH, 1925.

	Revenue	Expenditure Gulden	Difference (+ or —) between revenue and expenditure
I. General Expenditure :			
(a) Payments on account of general liabilities and charges under the Peace Treaty ..	—	85,000	— 85,000
(b) Danzig Harbour :			
1. Contribution to the cost of the Harbour Board.....	—	149,850	— 149,850
2. Construction of other harbour and transport facilities.....	500,000	500,000	—
(c) Cost of the munition stores on the Westerplatte, including demolition	—	500,000	— 500,000
(d) Parliament	970	522,700	— 521,730
(e) General administration	814,520	2,850,320	— 2,035,800
II. Social Expenditure :			
Social, ecclesiastical and health administration	9,117,700	22,190,160	— 13,072,460
III. Science, Arts and Education, including Archives			
	1,334,240	13,768,170	— 12,433,930
IV. Police and trade expenditure :			
(a) Home Office.....	2,990,180	9,914,200	— 6,924,020
(b) Trade and industry	120,750	298,830	— 178,080
V. Justice			
	4,367,500	5,793,200	— 1,425,700
VI. Buildings and other fixed property:			
(a) Public works	101,300	1,505,340	— 1,404,040
(b) Fixed property, administration	843,480	584,500	+ 258,980
VII. Agriculture, Public Domain and Forests :			
(a) Agricultural administration, including fisheries and domains.....	584,520	517,240	+ 67,280
(b) Forest administration	826,520	451,030	+ 375,490
VIII. Undertakings, Transport and Labour :			
(a) Undertakings, transport and labour	78,400	759,320	— 681,020
(b) Postal and telegraph services	16,472,000	16,447,430	+ 24,570
IX. Financial Administration :			
(a) Tax administration	34,585,000	26,018,000	+ 8,567,000
(b) Customs administration....	40,571,650	9,061,340	+ 31,510,310
(c) Working capital fund	400,000	200,000	+ 200,000
X. Additional appropriations for pensioners, surviving dependents and for social purposes in the course of the financial year.			
	—	1,592,000	— 1,592,000
TOTAL ORDINARY REVENUE AND EXPENDITURE	113,708,730	113,708,730	—

Notes.

1. Surpluses from previous financial years are carried to a compensation fund, in which future surpluses will be placed, and which, on the other hand, will cover any deficits which may arise.

2. The payments on account of the Peace Treaty comprise :

- (a) Interest on the portion of the debt of the German Empire and Prussia which has been taken over by the Free City ;
 (b) The Free City's share of the expenses on account of the High Commissioner, including maintenance of the residence, 85,000 gulden.

3. The expenditure on construction of the harbour and transport facilities will ultimately be covered by loan funds. The expenditure will only be made, in each case, as soon as and so far as the ordinary revenue exceeds the total estimates. The appropriation (under I (b) 2.) may be exceeded to the extent to which the closed accounts for the financial years 1924 and 1925 show a surplus. In so far as the closed accounts for 1924 and 1925 really show a surplus, the appropriation in the budget may be covered by these surpluses.

4. Liquidation of the cost of construction of the munition depot on the Westerplatte, amounting to a total of 4.5 million gulden, will be spread over several years.

5. The revenue and expenditure under the heading " tax administration " contain many double entries, which, owing to the principle of a gross budget being applied in the special sections, had to be carried into the general budget. The relation between real State revenue and cost of collection is more favourable than would appear from the summary table, the cost of collection amounting in fact to about 8 per cent of the tax revenue.

6. The additional appropriations for pensioners, etc., are as follows :

	Gulden
(a) Pensioners and surviving dependents.	352,000
(b) Social purposes :	
(1) Disablement	440,000
(2) Old Age	500,000
(c) Unemployment	300,000
Total	1,592,000

The estimated tax revenue of the *Free City of Danzig* for the year 1925, in comparison with the estimates for 1924, is shown in the following table, from which double entries have been excluded.

	1925	Gulden	1924
<i>I. Personal and capital taxes :</i>			
Income tax	14,800,000		15,700,000
Corporation tax	1,500,000		2,000,000
Capital tax	1,200,000		3,000,000
General trade tax, including tax on opening of new businesses	5,000,000		505,000
Tax on pedlars	100,000		100,000
Various payments by municipalities	41,040		—
Total of I.	22,641,040		21,305,000
<i>II. Taxes on transactions :</i>			
Duty on change of ownership of fixed property (including municipal surtax)	1,000,000		550,000
Turnover tax	3,500,000)	4,320,000
Luxury duties	1,000,000		
Duty on places of amusement open at night, 5% cost of collecting duty	—		10,000
Succession duties	100,000		70,000
Various payments by municipalities	15,300		—
Total of II	5,615,300		4,950,000
<i>III. Export duties</i>	—		1,200,000
<i>IV. Customs duties</i>	16,000,000		7,825,000
<i>Custom-house fees</i>	1,500,000		458,500

	1925	1924
V. <i>Excise duties on :</i>		
		Gulden
Cigarettes	2,330,000	450,000
Sugar and sweetmeats	2,000,000	401,500
Salt	200,000	50,000
Spirits	6,000,000	2,450,000
Wine (including the duty on sparkling wines) .	750,000	190,000
Matches	—	67,500
Lighting materials	50,000	75,000
Beer	1,400,000	150,000
Playing-cards	15,000	10,000
Total of V	12,745,000	3,844,000
VI. <i>Stamp duties</i> (previously German Imperial and State stamp duties)	6,216,000	1,350,250
VII. <i>Statistical fees</i>	60,000	30,000
TOTAL TAXATION	64,777,340	40,962,750

Notes.

1. It is estimated that local bodies (municipalities, etc.) received the following amounts as their share of certain taxes :

	1925	1924
		Gulden
Income tax	6,512,000	7,788,000
Corporation tax.....	660,000	
Equalisation fund according to the income tax and corporation tax laws	978,000	1,062,000
General trade tax, including the tax levied on opening new businesses	4,500,000	—
Duty on change of ownership of fixed property ...	950,000	250,000
Turnover tax	3,150,000	1,610,000
Luxury tax	900,000	50,000
TOTAL	17,650,000	10,760,000

If total taxation imposed by the Free City in 1925, amounting to 64,777,340 gulden, is reduced by the contributions to local bodies, amounting to 17,650,000 gulden, the remaining 47,127,340 gulden represent the tax revenue which is devoted to covering the requirements of the services of the Free City itself.

2. In the Senate commentary on the budget, it is stated that the estimates for 1924 were very much below the actual yield and that the estimates for 1925 have been based on the actual receipts in the first half of 1925, with due regard to certain changes in rates and other fiscal modifications.

SUMMARY OF BUDGET ESTIMATES OF THE MUNICIPALITY OF DANZIG
FOR THE FINANCIAL YEAR 1925.

	Revenue	Expenditure	Difference (+ or —) between revenue and expenditure
		Gulden	
<i>Ordinary Budget :</i>			
Special appropriations	—	274,626	— 274,626
Increased appropriations for officials and other public servants on account of salary reform	—	1,940,000	— 1,940,000
Extinction of German mark liabilities....	1,000,000	1,000,000	—
Additional revenue on account of the increase in hospital rates	100,000	—	+ 100,000
I. Municipal fixed property administration	1,484,300	957,000	+ 527,300
II. Forest and domain administration ...	10,900	39,440	— 28,540
III. General administration	873,700	2,378,650	— 1,504,950
IV. Housing Control Offices (I and II) and Conciliation Bureau	370,600	549,070	— 178,470

	Revenue	Expenditure Gulden	Difference (+ or —) between revenue and expenditure
V. Labour Exchanges	42,000	121,300	— 79,300
VI. Municipal administration of bathing-places	46,000	185,400	— 139,400
VII (a) School administration	929,950	3,755,270	— 2,825,320
(b) Continuation schools	51,700	260,200	— 208,500
(c) Technical schools	101,700	251,800	— 150,100
(d) Commercial schools and School of Economics	94,700	157,500	— 62,800
VIII. Municipal Printing-Office	8,140	142,990	— 134,850
IX. Municipal Theatre	1,108,000	1,352,800	— 244,800
X. Municipal Museum	22,290	79,630	— 57,340
XI. "Uphagen House" (Museum)	5,740	15,800	— 10,060
XII. Welfare Bureau	1,878,210	4,366,510	— 2,488,300
XIII. Bureau for Child Welfare	333,594	1,159,288	— 825,694
XIV. Municipal health administration ..	5,330	150,760	— 145,430
XV. Physical culture	159,180	354,750	— 195,570
XVI. Hospitals	1,814,100	2,398,890	— 584,790
XVII. Reformatories	147,330	348,030	— 200,700
XVIII. Police	19,600	1,721,210	— 1,701,610
XIX. Dust collection	800,850	800,850	—
XX. Street cleaning	129,510	634,330	— 504,820
XXI. Fire brigade	44,810	956,920	— 912,110
XXII. Administration of municipal buildings	3,064,100	3,751,440	— 687,340
XXIII. Ground improvement administration	4,669,450	7,698,600	— 3,029,150
Gasworks	7,195,000	6,495,000	+ 700,000
Waterworks	1,524,000	1,339,000	+ 185,000
Electricity works	5,736,000	4,236,000	+ 1,500,000
Slaughter-house	898,000	837,000	+ 61,000
XXIV. Market administration	312,800	135,700	+ 177,100
XXV. Crematorium	31,080	41,070	+ 9,990
XXVI. Working capital fund	200,000	300,000	— 100,000
XXVII. Public debt	79,650	79,650	—
XXVIII. Financial administration	19,240,160	3,266,000	+15,974,160
TOTAL ORDINARY REVENUE AND EXPENDITURE	54,532,474	54,532,474	—
<i>Extraordinary Budget :</i>			
Municipal fixed property administration .	1,100,000	1,100,000	—
Ground improvement administration ...	300,000	300,000	—
TOTAL EXTRAORDINARY REVENUE AND EXPENDITURE	1,400,000	1,400,000	—

Notes.

1. The increased appropriations for officials and other public servants on account of salary reform do not include the extra amounts needed for those administrations (public undertakings, etc.) which meet such expenses out of their own resources.

2. Public undertakings and the fixed property administration have to provide 2 million gulden, already included in the budget for the previous year, as their share of the expenditure for the extinction of German mark liabilities. The payments are to be spread over several years.

The estimated tax revenue of the *Municipality* of Danzig for the year 1925, in comparison with the estimates for 1924, is shown in the following table :

	1925	1924
		Gulden
<i>I. Personal Taxes :</i>		
Income tax (44% of the yield)	4,500,000	4,800,000
Corporation tax (44% of the yield)	600,000	800,000
Contribution from the Equalisation Fund	391,200	424,800
Capital tax (100% municipal surtax)	—	2,290,000
Total I	5,491,200	8,314,800
<i>II. Impersonal Taxes :</i>		
General trade tax, including tax on opening new businesses	3,700,000	3,825,000
Land tax, including the compensation for canal and dust-collection fees	3,000,000	3,000,000
Total II	6,700,000	6,825,000
<i>III. Taxes on Transactions :</i>		
Duty on change of ownership of fixed property (90% of the yield)	427,500	300,000
Turnover tax (90% of the yield)	2,600,000	1,932,000
Luxury tax (90% of the yield)	720,000	80,000
Duty on places of amusement open at night	250,000	152,000
Tax on dogs	620,000	250,100
Duty on amusements	850,000	600,000
Duty on licensed houses	50,000	190,000
Various duties	—	520,000
Total III	5,517,500	4,024,100
<i>IV. Duty levied for special purposes :</i>		
Wage tax	1,500,000	1,350,000
TOTAL TAXATION	19,208,700	20,513,900

Note. — Of the total taxation, 12,938,000 gulden represent contributions from State taxation and only 6,270,700 gulden autonomous taxation imposed by the Municipality.