

# Annual Report

*of the*

## Commissioner of Internal Revenue

*for the*

### Fiscal Year Ended June 30, 1954



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LETTER OF TRANSMITTAL

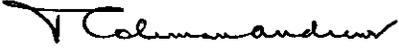
TREASURY DEPARTMENT,  
OFFICE OF COMMISSIONER OF INTERNAL REVENUE,  
*Washington, D. C. April 22, 1955*

Dear Mr. SECRETARY: I submit herewith the "Annual Report of the Commissioner of Internal Revenue for the fiscal year 1954."

The year will be noted, particularly, for a modernization and recodification of the Internal Revenue Code. The cooperative efforts of the legislative and executive branches have yielded significant changes in, and clarification of, substantive provisions and streamlining of administrative provisions.

At the same time, improvements were made in many procedures and policies. Our auditing forces were augmented in numbers and strengthened through clarification of many intricate internal relationships. In the appellate field, large backlogs were put under control and reduced substantially. Numerous services to taxpayers were improved and many facilities for economical administration were added during the year. In our deployment of personnel, we have systematically reduced our overhead staff in Washington so as to increase our enforcement activities.

We also have made many investments in the future of the Revenue Service, particularly by our establishment of an advanced training program and by our studies of simplified methods in handling the huge masses of tax returns which flood in to us every year.

  
*Commissioner of Internal Revenue.*

HON. GEORGE M. HUMPHREY,  
*Secretary of the Treasury.*

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COMMISSIONERS OF INTERNAL REVENUE FROM JULY 1862 TO  
DECEMBER 1954

Name <sup>1</sup>	State	Service	
		From—	To—
George B. Boutwell.....	Massachusetts.....	July 17, 1862	Mar. 4, 1863
Joseph J. Lewis.....	Pennsylvania.....	Mar. 18, 1863	June 30, 1865
William Orton.....	New York.....	July 1, 1865	Oct. 31, 1865
Edward A. Rollins.....	New Hampshire.....	Nov. 1, 1865	Mar. 10, 1869
Columbus Delano.....	Ohio.....	Mar. 11, 1869	Jan. 2, 1871
Alfred Pleasonton.....	New York.....	Jan. 3, 1871	Aug. 8, 1871
John W. Douglass.....	Pennsylvania.....	Aug. 9, 1871	May 14, 1875
Daniel D. Pratt.....	Indiana.....	May 15, 1875	July 31, 1876
Green B. Raum.....	Illinois.....	Aug. 2, 1876	Apr. 30, 1883
Walter Evans.....	Kentucky.....	May 21, 1883	Mar. 19, 1885
Joseph S. Miller.....	West Virginia.....	Mar. 20, 1885	Mar. 20, 1889
John W. Mason.....	do.....	Mar. 21, 1889	Apr. 18, 1893
Joseph S. Miller.....	do.....	Apr. 19, 1893	Nov. 26, 1896
W. St. John Forman.....	Illinois.....	Nov. 27, 1896	Dec. 31, 1897
Nathan B. Scott.....	West Virginia.....	Jan. 1, 1898	Feb. 28, 1899
George W. Wilson.....	Ohio.....	Mar. 1, 1899	Nov. 27, 1900
John W. Yerkes.....	Kentucky.....	Dec. 20, 1900	Apr. 30, 1907
John G. Capers.....	South Carolina.....	June 5, 1907	Aug. 31, 1909
Royal E. Cabell.....	Virginia.....	Sept. 1, 1909	Apr. 27, 1913
William H. Osborn.....	North Carolina.....	Apr. 28, 1913	Sept. 25, 1917
Daniel C. Roper.....	South Carolina.....	Sept. 26, 1917	Mar. 31, 1920
William M. Williams.....	Alabama.....	Apr. 1, 1920	Apr. 11, 1921
David H. Blair.....	North Carolina.....	May 27, 1921	May 31, 1929
Robert H. Lucas.....	Kentucky.....	June 1, 1929	Aug. 15, 1930
David Burnet.....	Ohio.....	Aug. 20, 1930	May 15, 1933
Guy T. Helvering.....	Kansas.....	June 6, 1933	Oct. 8, 1943
Robert E. Hannegan.....	Missouri.....	Oct. 9, 1943	Jan. 22, 1944
Joseph D. Numan, Jr.....	New York.....	Mar. 1, 1944	June 30, 1947
George J. Schoeneman.....	Rhode Island.....	July 1, 1947	July 31, 1951
John B. Dunlap.....	Texas.....	Aug. 1, 1951	Nov. 18, 1952
T. Coleman Andrews.....	Virginia.....	Feb. 4, 1953	-----

NOTE.—Office of Commissioner of Internal Revenue created by Act of Congress, July 1, 1862.

<sup>1</sup> In addition, the following were Acting Commissioners during periods of time when there was no real Commissioner holding the office: John W. Douglass, of Pennsylvania, from November 1, 1870 to January 2, 1871; Henry C. Rogers, of Pennsylvania, from May 1 to May 10, 1883; John J. Knox, of Minnesota, from May 11 to May 20, 1883; Robert Williams, Jr., of Ohio, from November 28 to December 19, 1900; Millard F. West, of Kentucky, from April 12 to May 26, 1921; H. F. Mires, of Washington, from August 15 to August 20, 1930; Pressly R. Baldrige, of Iowa, from May 15 to June 5, 1933; Harold N. Graves, of Illinois, from January 23 to February 29, 1944; John S. Graham, of North Carolina, from November 19, 1952, to January 19, 1953; and Justin F. Winkle, of New York, from January 20 to February 3, 1953.

Report  
on  
Operations

## INTERNAL REVENUE COLLECTIONS

### GENERAL

Collections of the Internal Revenue during the fiscal year ended June 30, 1954, totaled \$69,919,991,000, slightly more than last year and the greatest amount collected in any fiscal year. The collections represent payments actually received during the period specified, including taxes, penalties, interest, costs, court fines, judgments, offers in compromise, proceeds from seizures, etc. In addition to remittances made by cash, check, or money order, the amounts include payments made in the form of Treasury savings notes, Treasury tax anticipation bills, Federal Reserve Bank notes in exchange for tax anticipation bills, and Federal depository receipts.

Employers whose total monthly liability for income tax withheld and old-age insurance taxes exceeds \$100 are required to make monthly deposits of such taxes in the Federal Reserve Banks or certain authorized commercial banks. As evidence of such deposits the employers receive depository receipts, which they later forward with their quarterly tax returns in payment of the taxes reported thereon. Amounts represented by the depository receipts are not reported as collections until the returns are filed, although the money is actually received by Treasury depositories and reported as tax receipts in the Daily Treasury Statement at an earlier date. This is the principal reason for the difference between the internal revenue receipts shown in the Daily Treasury Statement and the internal revenue collections as reported herein for the fiscal year 1954.

Under revised accounting procedures effective July 1, 1954, the tax payments made to Treasury depositories are to be included in Internal Revenue Service reports for the month in which the depository receipts were issued, thus eliminating the difference in concept. The amount of depository receipts issued by the Federal Reserve Banks but not taken into account by Internal Revenue offices totaled \$3,944,000,000 as of June 30, 1954, of which \$3,414,000,000 related to withheld income and Federal Insurance Contributions Act taxes, \$97 million to railroad retirement taxes and \$433 million to excise taxes.

The accompanying table shows the internal revenue collections by major groups of taxes for the fiscal years 1953 and 1954.

*Internal revenue collections, fiscal years 1953 and 1954*

[In thousands of dollars]

Source	Fiscal year	
	1953	1954
<b>Income and profits taxes:</b>		
Corporation.....	21,594,515	21,546,322
Individual:		
Withheld by employers <sup>1</sup> .....	21,132,275	22,076,329
Other.....	11,403,942	10,736,678
<b>Total individual income taxes.....</b>	<b>32,536,217</b>	<b>32,812,907</b>
<b>Total income and profits taxes.....</b>	<b>54,130,732</b>	<b>54,359,229</b>
<b>Employment taxes:</b>		
Old-age insurance <sup>1</sup> .....	3,816,252	4,219,304
Unemployment insurance.....	273,182	283,882
Carriers taxes—old-age benefits.....	628,969	605,221
<b>Total employment taxes.....</b>	<b>4,718,403</b>	<b>5,108,407</b>
<b>Miscellaneous internal revenue:</b>		
Estate tax.....	784,500	863,344
Gift tax.....	106,694	71,778
<b>Alcohol taxes:</b>		
Distilled spirits (imported excise).....	204,794	230,566
Distilled spirits (domestic excise).....	1,641,933	1,643,064
Distilled spirits rectification tax.....	26,845	24,951
Wines.....	80,535	78,678
Floor taxes, wines, and liquors.....	27,956	306
Bottle or container stamps.....	14,393	14,132
Malt liquors.....	762,983	769,774
Special or occupational taxes.....	21,487	21,539
<b>Total alcohol taxes.....</b>	<b>2,780,925</b>	<b>2,783,012</b>
Wagering taxes.....	10,475	9,558
Tobacco taxes.....	1,654,911	1,580,229
Stamp taxes on documents, other instruments, and playing cards.....	90,319	90,000
Manufacturers' excise taxes.....	2,862,788	2,688,262
Retailers' excise taxes.....	496,009	438,352
Other taxes (communications, transportation, admissions, oleomargarine, etc., and repealed taxes not listed above).....	2,050,689	1,927,840
<b>Total miscellaneous internal revenue.....</b>	<b>10,837,401</b>	<b>10,452,354</b>
<b>Grand total.....</b>	<b>69,086,535</b>	<b>69,919,091</b>

<sup>1</sup> Revised.

<sup>1</sup> Estimated, for purposes of comparison with earlier years. Collections of tax withheld are not separated as between income tax and old-age insurance. The collections of old-age insurance tax imposed on self-employment income are reported in combination with individual income tax rather than tax withheld. The figures shown reflect the estimated components of the combined amounts.

NOTE.—These figures are based on Internal Revenue Service reports of collections and are not directly comparable to budget receipts as shown in other Treasury Department reports. The differences arise chiefly from the fact that certain taxes paid currently into Treasury depositories are not taken into account by the Internal Revenue Service until the quarterly returns supported by the depository receipts are received in Internal Revenue offices. Under revised accounting procedures effective July 1, 1954, this practice will no longer be followed and tax payments made to Treasury depositories are to be included in Internal Revenue Service reports for the month in which the depository receipts are issued, thus eliminating this difference in concept. The amount of depository receipts issued by Federal Reserve Banks, but not taken into account by Internal Revenue offices, totaled \$3,944,000,000 as of June 30, 1954, of which \$3,414,000,000 related to withheld income and F. I. C. A. taxes, \$97 million to railroad retirement taxes, and \$433 million to excise taxes.

#### COLLECTIONS FROM INCOME, PROFITS, AND EMPLOYMENT TAXES

The 1954 collections of income, profits, and employment taxes aggregated \$59,468,000,000, about \$618 million more than 1953 collections of these taxes. This increase more than offset the \$385 million decrease in collections of other internal revenue.

*Corporation income and profits taxes.*—Corporation income and profits taxes collected during fiscal year 1954 were only slightly below 1953 collections. The termination of excess profits taxation on December 31, 1953, had little effect on fiscal 1954 collections but should be more evident in the 1955 figures.

*Individual income taxes.*—Individual income taxes withheld by employers during fiscal 1954 were \$626 million greater than 1953. The higher levels of salaries and wages subject to withholding more than offset the lower withholding rates effective January 1, 1954. Individual income taxes not withheld declined slightly as a result of the effect on quarterly declaration payments of the lower tax rates applicable to calendar year 1954 incomes.

*Employment taxes.*—Increased rates under the Federal Insurance Contributions Act, effective January 1, 1954, were mainly responsible for the 8 percent increase in employment taxes during 1954 as compared to 1953.

#### OTHER INTERNAL REVENUE

Collections of taxes other than income, profits, and employment taxes were somewhat below last year's. This decrease is caused by the differing pattern of excise tax collections during 1954, which came as a result of the change from monthly to quarterly filing of excise tax returns and reporting of excise tax liability. The reduction in excise tax rates under the Excise Tax Act of 1954, effective April 1, 1954, had little effect on fiscal year 1954 collections.

#### RECEIPT AND RECORDING OF RETURNS

##### GENERAL

Our system of collecting taxes is unique in its dependence on voluntary self-assessment and reporting of taxes by the taxpayers. The tax liability of individuals and of concerns is generally determined from a return filed by the individual or concern, on which the tax due has been computed and reported or all information necessary for determination of tax liability is furnished so that the Government can accurately determine the tax due.

A large part of the work of the Internal Revenue Service revolves around the vast number of these returns filed each year and the many so-called "housekeeping activities" necessary to the proper control and physical handling of the returns.

*Returns filed.*—During the fiscal year 1954 there were 89 million returns filed of which 67 million were income tax returns, including 6 million declarations of estimated tax. The employers' tax returns, which totaled 17 million made up the next largest group. Excise tax returns, which totaled nearly 8 million for fiscal 1953, were only 3 million in number for fiscal 1954, due to the change from monthly to quarterly filings of these returns effective with the first quarter of fiscal 1954.

The income tax returns filed in any one fiscal year are, for the most part, returns for the tax year ending 6 months earlier. Returns filed in fiscal year 1954 are largely those filed for calendar year 1953 and part-year returns and fiscal-year returns for which the filing period ends in the latter part of the calendar year 1953. The number also includes delinquent returns for prior tax years and amended returns which show an increase in tax. Amended

returns showing a decrease in tax are considered as claims and are not counted as returns filed.

The employers' tax returns filed in the fiscal year 1954 include employers' quarterly returns of tax withheld on wages (a combined return covering both income and Federal Insurance Contributions Act taxes withheld), employers' quarterly returns of railroad retirement tax, and annual returns of unemployment tax filed by employers of eight or more individuals.

The table that follows shows the number of returns filed by principal type of return for fiscal years 1953-54.

*Number of returns filed by principal type of return, fiscal years 1953 and 1954*

[In thousands]

Type of return	Fiscal year	
	1953	1954
<b>Income tax:</b>		
<b>Individual:</b>		
Citizens and resident alien.....	58,548	58,493
Nonresident alien.....	93	180
<b>Total individual income tax.....</b>	<b>58,641</b>	<b>58,673</b>
Declarations of estimated tax.....	6,100	6,162
Fiduciary.....	424	417
Partnership.....	1,062	983
Withholding agent.....	11	9
<b>Corporation:</b>		
Income and profits tax.....	790	738
Personal holding company.....	10	7
<b>Total corporation.....</b>	<b>800</b>	<b>745</b>
Army and Navy contracts.....	( <sup>1</sup> )	( <sup>1</sup> )
Exempt organization.....	116	126
Other.....	13	13
<b>Total income tax returns.....</b>	<b>67,176</b>	<b>67,127</b>
<b>Employment tax:</b>		
Withheld income and old-age insurance.....	16,286	16,472
Carriers.....	24	27
Unemployment insurance.....	588	593
<b>Total employment tax returns.....</b>	<b>16,898</b>	<b>17,092</b>
Estate tax.....	37	39
Gift tax.....	49	48
Excise tax <sup>2</sup> .....	7,734	3,197
Special tax.....	1,224	1,303
All other.....	89	82
<b>Grand total.....</b>	<b>93,208</b>	<b>88,887</b>

<sup>1</sup> Less than 500.

<sup>2</sup> Includes all types of returns formerly reported as miscellaneous.

### PROCESSING OF RETURNS

As returns are received in Internal Revenue offices, they are routed through a number of processing stages before being audited for accuracy. Remittances accompanying the returns must be checked, recorded, and deposited. The returns must be sorted, classified, and numbered; alphabetical index cards are prepared and numbered to correspond with the identification on the returns. Any balances due as shown by the taxpayers' computations must be recorded and billed to the taxpayers. Overpayments of tax must be recorded and arrangements made for refunding the amounts of overpayment by Treasury disbursing authorities.

In the case of individuals filing income tax returns on form 1040A, the amounts of tax liability must be computed, the amounts of overpayment

or balances due determined, and arrangements made for billing the taxpayers for any amounts of tax due or refunding any amounts of overpayment. There were more than 11 million such determinations made on forms 1040A filed by taxpayers covering 1953 incomes.

### MATHEMATICAL VERIFICATION

One step in the processing of returns filed is the verification of the mathematics shown in taxpayers' computations. In this process, consideration is limited to the mere arithmetical and similar mechanical aspects of computing the amount of tax due, and corrections made are not subject to review in the appellate processes. Therefore, the notices sent to taxpayers with respect to such corrections state that the adjustments are the result of a mathematical verification of the returns and that if subsequent audit discloses that additional information is necessary or further changes must be made, the taxpayers will be notified.

The mathematical verification is not always a preliminary action but is sometimes deferred and combined with a subsequent examination. When this is done, of course, any mathematical corrections are included in the notice sent to the taxpayer, as part of the overall proposed adjustments in tax.

There is no mathematical verification with respect to individual income tax returns filed on form 1040A, since the original tax computations are made on such returns in Internal Revenue offices.

The results of the mathematical verification of income tax returns during 1954 are shown in the following table:

*Income tax returns mathematically verified, fiscal year 1954*

[Figures in thousands]

Class of return	Number of returns verified	Number of returns on which changes were made	Amount of tax increase	Amount of tax decrease
Individual and fiduciary.....	48,224	1,270	\$77,207	\$18,542
Corporation.....	633	6	1,281	453
<b>Total.....</b>	<b>48,857</b>	<b>1,276</b>	<b>78,488</b>	<b>18,995</b>

### INFORMATION DOCUMENTS

In addition to the 89 million tax returns, an even greater number of "information documents" (about 230 million) is received by Directors of Internal Revenue reporting information relative to wage and salary payments, dividends paid, and various other payments to recipients of income by banks, other corporations, partnerships, or individuals. These returns are filed under the "information at source" provisions of the Internal Revenue Code which require every individual, partnership, or corporation to report certain payments to the Commissioner of Internal Revenue.

A large portion of this information is obtained through use of two forms—the Form W-2, Withholding Statement, and Form 1099, Information Return. As these documents are received a sort is made so that comparisons can be made with the income tax returns of taxpayers, thereby assisting the Service in determining the accuracy of the returns.

## SUPERVISION AND CONTROL OF THE ALCOHOL AND TOBACCO INDUSTRIES

### GENERAL

The Internal Revenue Service is charged with the administration of comprehensive laws and regulations relating to industrial alcohol, alcoholic beverages, tobacco products, and related products, including the determination of liability for taxes imposed by these laws. Specifically, it is responsible for the regulation of approximately 500,000 persons or concerns operating under the internal revenue alcoholic beverage laws, and approximately 750,000 persons or concerns carrying on business as dealers in leaf and other tobacco materials, manufacturers of tobacco products and cigarette papers and tubes, wholesalers, retailers, and peddlers of such articles, and proprietors of bonded internal revenue tobacco warehouses.

The regulation of the alcoholic beverage industries involved, among other things, consideration of 34,744 applications for certificates of label approval (each bottler is required to have all labels in use on interstate shipments of liquor approved) and 113,620 items of advertising material (disseminated or proposed for dissemination by producers, importers, and wholesalers of alcoholic beverages) to determine whether the labels and advertising conformed to the Federal Alcohol Administration Act and regulations thereunder. Corrective action was taken with respect to 1,131 cases where irregularities in published advertisements were found. In addition, action was taken on 40 applications for approval of interlocking directorates, which are required to be filed whenever individuals seek to hold office as officers or directors in more than one company engaged in the production or bottling of distilled spirits, or under certain other circumstances specified by such Act.

New procedures were developed to streamline and simplify the audit, in field offices, of reports relating to operations of establishments subject to alcohol and tobacco supervision; extensive recommendations were made for revisions of tobacco and liquor laws; operating functions were decentralized from the National Office to field offices, and a reduction in the number of field offices was made on the basis of alcohol and tobacco industry concentration and law enforcement problems; and surveys were conducted in regional offices to determine the effectiveness of liquor law enforcement within each region.

Detailed tabulations relating to the production of alcohol, distilled spirits, beer, wines, and tobacco manufactures during the fiscal year 1954 (corresponding to the tables which appear in the appendix of issues of this report for the fiscal year 1952, and earlier years) are presented in a separate Internal Revenue Service publication entitled "Statistics Relating to the Alcohol and Tobacco Industries" which may be obtained from the Superintendent of Documents, Washington 25, D. C.

### AUTHORIZATION OF OPERATIONS

The regional alcohol and tobacco tax offices are responsible for the examination and processing of all registrations and all applications, notices, bonds, consents of surety, plats, plans, permits, and other qualifying documents filed, as required by law, in connection with the establishment and continuing operations of plants and premises used for the production, storage, treatment, packaging, and distribution of industrial alcohol,

alcoholic beverages, and tobacco products, for the use and transportation of specially denatured alcohol and tax-free alcohol, for the manufacture and use of liquor bottles, and for the manufacture of volatile fruit-flavor concentrates and vinegar by the vaporizing process.

Final administrative review of actions taken with respect to applications, notices, bonds, plats, plans, and other related documents amounted to 19,860 items. Appendix table 6, page 80, shows the number of establishments qualified under the internal revenue laws at the end of the year.

### ON-PREMISES SUPERVISION

Day-to-day supervision of the operations of registered distilleries, fruit distilleries, internal revenue bonded warehouses (including bottling-in-bond departments), industrial alcohol plants, and bonded warehouses, denaturing plants, distillery denaturing bonded warehouses, rectifying plants, taxpaid bottling houses (and bonded wineries when brandy or other wine spirits are added to wine) is provided by a force of United States storekeeper-gaugers. The purpose of such supervision of these plants and premises is to insure protection of the revenue and, in the case of beverage distilled spirits, to provide an incidental measure of control over labeling to assure compliance with the Federal Alcohol Administration Act.

During the fiscal year 1954, such supervision was provided at establishments (other than bonded wineries) which at the end of the year accounted for the production of 378,499,045 proof gallons of ethyl alcohol, the denaturation of 386,229,157 proof gallons of ethyl alcohol, the warehousing of 52,118,911 proof gallons of ethyl alcohol, the production of 184,997,028 tax gallons of distilled spirits of various kinds, the warehousing of 864,328,167 tax gallons of distilled spirits, the taxpayment of 158,790,672 tax gallons of distilled spirits, including alcohol, the rectification of 90,410,552 proof gallons of distilled spirits and wines, and the bottling of 173,581,930 wine gallons of distilled spirits.

While on-premises supervision is not provided at breweries, at bonded wineries except when wine spirits are added to wine, or at tobacco products establishments, the operations of all such establishments are subject to periodic inspections. During the year (fiscal year 1954 for alcoholic products and calendar year 1954 for tobacco products) such establishments accounted for the production of 92,561,067 barrels (of 31 gallons each) of beer, 117,133,731 wine gallons of still wine, 31,032,920 half-pint units of effervescent wines, 3,253,061 wine gallons of vermouth, 249,445 wine gallons of aperitif wines other than vermouth, 6,039,403,299 cigars, 423,097,890,611 cigarettes, and 208,141,561 pounds of other tobacco products (including smoking and plug tobacco, and snuff).

### INSPECTION OF ESTABLISHMENTS

A force of inspectors is utilized to provide facilities for the investigation of applicants for permits and registrants to determine their qualifications under law and regulations, for the inspection of operations of establishments, for the supervision of activities where required by law or regulation, and for the investigation of violations of the internal revenue laws or the Federal Alcohol Administration Act, or both, by proprietors of qualified establishments.

During the year a total of 61,840 inspections was made, of which 2,640 were made pursuant to original applications and notices filed by persons seeking to qualify for permit privileges or registering for the first time.

### CHEMICAL ANALYSES AND RESEARCH

Facilities for chemical research and laboratory work are provided by laboratories in the National Office and in each of the regions. The staffs of these laboratories are primarily concerned with research useful in determining the tax status of many products, and in the enforcement program. Analyses and examinations of articles are performed for other divisions of the Service, for the Bureau of Narcotics and, in the liquor and narcotic fields, for various law enforcement agencies. The laboratories also collaborate with the Association of Official Agricultural Chemists in developing and selecting methods of analysis for official adoption, and with the United Nations to improve methods of assaying opium and determining countries of origin. Other Federal agencies and the committees for the revision of Pharmacopoeia of the United States and the National Formulary often confer with the staff of the laboratories.

The regional laboratories received 36,826 samples during the year. The National Office laboratory received 6,103 samples.

### ENFORCEMENT WORK

#### RETURNS EXAMINED

*General.*—The exceptionally high degree of voluntary and conscientious tax compliance by the majority of American taxpayers makes it unnecessary to examine thoroughly all of the many millions of tax returns filed each year. However, there remain substantial numbers of returns requiring corrections because of doubtful issues, and of carelessness, ignorance, or willfulness on the part of the taxpayers filing the returns.

Since it is incumbent upon the Internal Revenue Service to insure maximum compliance with the tax laws, those returns believed to be most in need of correction are segregated through a preliminary inspection process, and as many are examined each year as the resources of the Service will permit.

*Selection of returns for examination.*—It is neither necessary nor possible to examine thoroughly every tax return filed. Thus, a basis must be established for selecting returns to be examined. A return may be questioned if there is reason to believe either that the dollar amounts are not correct or that any item has not been handled in accordance with the laws and regulations. Those returns in which there are indications of substantial errors are selected for examination, along with those returns requiring audit because of related claims, taxpayers' requests, or other features which make examination mandatory.

During the fiscal year 1954 the preliminary inspection of the returns processed resulted in 3,389,244 returns being selected for more thorough consideration by examining officers.

*Examination of returns.*—As the term is used by the Internal Revenue Service an examination may be defined as an audit of a tax return which involves contact with the taxpayer or his representative to determine the accuracy of items on the return and to make certain that such items conform with the laws and regulations. In the case of income tax returns, items of income, exemption and deduction are verified.

Examinations are of two types—office audits and field examinations. The former involve contact with taxpayers through correspondence or in-

terview on Internal Revenue premises, while the latter involve examination of the taxpayers' books, records, bank accounts, etc., in their homes or places of business. Returns of great complexity and those involving the large businesses usually require field examination. In field examinations, wherever practicable, all Federal tax returns of a taxpayer are audited at one time, regardless of the types of taxes to which they relate.

Where the examination discloses errors in items reported or application of laws, the agent makes the necessary corrections. If a tax increase results, the agent computes the deficiency owing the Government. If a tax decrease is indicated, the agent computes the overassessment for refund to the taxpayer or for credit against any other taxes he may owe.

At the conclusion of an examination, the agent discusses his findings with the taxpayer and, if a proposed deficiency or overassessment is involved, affords the taxpayer an opportunity to execute the appropriate agreement form. If the taxpayer does not agree or does not wish to execute an agreement form, he is advised of his right to an informal conference and is furnished a statement identifying the proposed adjustment.

The purpose of the informal conference is to provide an opportunity to resolve issues at the earliest possible time, in an atmosphere of informality, in order that the case may be disposed of as simply as possible under the law. Hence, the conferences are held prior to the preparation of the examining agent's final report, without issuance of any formal notification of proposed adjustments by the District Director, and without requiring the filing of any written protest or brief by the taxpayer.

If the taxpayer agrees with the decision reached at the informal conference, the appropriate agreement form is executed and the examining agent prepares a report giving effect to the conference conclusions. Following a review of the entire file, the case is made ready for closing, and a copy of the examination report is mailed to the taxpayer.

Where no agreement is reached with the taxpayer at the time of examination or as a result of informal conference, a 30-day preliminary notice of adjustment is forwarded to the taxpayer, accompanied by a copy of the examination report. This notice affords the taxpayer a period of 30 days in which to sign an acceptance or file a formal protest requesting a conference under the appellate procedures described on pages 17-18. Where an overassessment is the only tax adjustment proposed and the taxpayer signs an acceptance or fails to respond to the 30-day notice, the taxpayer's account is adjusted to give effect to the overassessment and a refund of tax and interest is made if required.

Where the adjustment involves a deficiency in income, profits, estate or gift tax and the taxpayer fails to respond to the preliminary 30-day notice, a statutory notice of deficiency is issued providing a period of 90 days in which the taxpayer may sign an acceptance or file an appeal with the Tax Court of the United States. If the taxpayer signs an agreement, or fails to respond to the statutory notice within the 90-day period, the amount of the deficiency plus interest due is listed for assessment and collection. However, if the taxpayer appeals to the Tax Court of the United States for a redetermination of the tax, assessment of the deficiency is deferred pending final determination of tax liability (see pp. 17-18).

The following table shows the number of returns examined during the fiscal year 1954.

*Number of returns examined, fiscal year 1954*

[In thousands]

Type of return	Number
Income and profits tax: <sup>1</sup>	
Corporation.....	125
Individual and fiduciary <sup>2</sup> .....	1,548
Total income and profits tax.....	1,673
Other than income and profits tax:	
Estate and gift tax <sup>3</sup> .....	85
Miscellaneous.....	144
Total other than income and profits tax.....	229
Grand total.....	1,902

<sup>1</sup> Excludes partnership returns. During 1954 the examination of individual income tax returns involved the examination of 31,000 partnership returns.

<sup>2</sup> Includes an estimated 127,000 returns which were reported as examined during the July-September period of 1953 but which were determined to be only mathematical corrections.

<sup>3</sup> Includes 54,000 gift tax returns verified in the national office.

The number of returns examined during 1954 is not comparable to prior years due to the revision of audit criteria and procedures, and to transitional problems incident to the reorganization. Prior to reorganization the audit of individual income tax returns was divided between two separate and independent jurisdictions, the former collectors' offices and revenue agents' offices. In the collectors' offices there was a close relationship between office audit and mathematical corrections, and each case handled, whether it was an office audit or a change in tax resulting from a mathematical error, was counted as one case examined. With the reorganization, which started in fiscal 1953, a separation was made between mathematical error cases and examined cases in reporting procedures. However, the transition from the old to the new organization was not fully completed until early in fiscal 1954, so that the fiscal year 1953 audit data contained a substantial number of mathematical verifications, though far fewer than the data for other prior years. All but an estimated 127,000 of these mathematical verifications have been eliminated from the 1954 totals and are reported separately on page 7. However, it is not possible to readjust the reports of earlier periods for the purpose of placing them on a basis comparable with present reports.

In addition, since reorganization the classes of returns formerly audited in collectors' offices have been handled under procedures which insure a more thorough examination and give greater consideration to the appellate rights of taxpayers. While this revision has increased the examination time required for these returns, it has improved substantially the quality of the audits. As a result, 1954 examinations of these returns are not comparable with those made in prior years.

#### FRAUD

*General.*—The willingness of the average taxpayer voluntarily to pay his correct tax depends to a large extent on his belief that it is his duty and the right thing to do, and this willingness is kept high by the

knowledge that all others are paying their fair share. Thus, special measures are taken against those who willfully attempt to evade payment of their proper tax liability. The Internal Revenue Service maintains special groups of enforcement agents whose main duties relate to the development of evidence suitable for presentation in court against those suspected to be guilty of evading taxes. The tax fraud work of the Service is described in three categories: (1) regular tax fraud other than alcohol and tobacco tax; (2) wagering tax; and (3) alcohol and tobacco tax fraud.

*Regular tax fraud other than alcohol and tobacco tax.*—In addition to the regular examination of income, estate, gift, and excise tax returns, special consideration is given the returns of taxpayers who attempt to evade the tax properly due from them. When such fraud is suspected, the tax returns are subjected to a joint investigation by regular examining agents and special agents to determine the extent to which fraud is actually involved. The special agents' duties relate primarily to the search for and development of evidence suitable for presentation in court against those found to be evading taxes.

Where such evidence is thought to warrant prosecution, the case is forwarded to the Department of Justice with a recommendation that the individuals involved be prosecuted under the appropriate sections of the Internal Revenue Code.

This fraud work is reported on a case basis rather than on number of returns as regular examinations are reported. A case may involve several returns of one taxpayer and/or returns of several taxpayers. (These returns are included in the examinations shown in the table on p. 12.) The following table shows the disposition of income, estate, gift, excise, and wagering tax cases involving suspected fraud during the fiscal years 1953 and 1954.

*Number of tax fraud investigations initiated and closed, fiscal years 1953 and 1954 (excludes alcohol and tobacco tax fraud)*

Item	Fiscal year	
	1953 (1)	1954 (2)
Investigations initiated during year <sup>1</sup> .....	3,203	4,363
Disposals (action recommended): <sup>1</sup>		
Prosecution <sup>2</sup> .....	1,276	1,956
Fraud penalty (no prosecution).....	1,237	828
Deficiency (no fraud penalty).....	196	219
No change.....	148	466
Fraud investigation not warranted.....	439	588
Total.....	3,296	4,057

<sup>1</sup> Includes wagering tax fraud cases. Prior to Sept. 1, 1954, reporting procedures on tax fraud did not distinguish wagering tax fraud from regular tax fraud.

<sup>2</sup> Represent cases referred to regional counsel by Intelligence Division with a recommendation for criminal prosecution. For regional counsel action on Intelligence Division recommendations see pp. 14-15.

*Wagering tax work.*—The wagering tax provisions of the Internal Revenue Code require that certain persons engaged in the business of receiving wagers or engaged in receiving wagers for or on behalf of a person so engaged purchase excise stamps evidencing the fact of being engaged in this business. The Code also requires each person engaged in the business of accepting wagers to file a monthly return and to pay a tax on the gross amount of wagers accepted,

Where persons are suspected of attempting to evade these taxes, special agents attempt to develop evidence regarding the evasion. In those cases where sufficient evidence is obtained, the cases are forwarded to the United States District Attorney with recommendations for prosecution. The 1,475 wagering tax fraud cases on which investigation was completed during fiscal 1954 are included in the foregoing table.

**Alcohol and tobacco tax.**—In addition to its regulatory controls over the legal liquor and tobacco industries, the Internal Revenue Service is responsible for the suppression of the non-tax-paid liquor traffic, the control of materials intended for use in the illegal manufacture of spirits, the enforcement of the Liquor Enforcement Act of 1936 which prohibits the transportation of intoxicating liquor into a dry State, and the enforcement of the National and Federal firearms acts.

Seizures and arrests for liquor, tobacco, and firearms law violations during the fiscal years 1953 and 1954 were as follows:

*Seizures and arrests for liquor law violations, fiscal years 1953 and 1954*

Item	Fiscal year	
	1953	1954
Seizures:		
Stills (number).....	16,699	11,266
Malt liquors (wine gallons).....	172,951	186,447
Mash (wine gallons).....	6,151,082	6,722,850
Vehicles (number).....	2,333	2,409
Property (appraised value).....	\$3,164,525	\$3,197,771
Arrests (number) <sup>1</sup> .....	9,370	9,344

<sup>1</sup> Includes arrests for violations of tobacco tax and firearms laws. The 1954 figure includes 41 arrests for tobacco violations and 245 for firearms violations.

In addition, enforcement personnel, as an incidental duty in their regular enforcement work, made 102,515 inspections of retail liquor dealers and 739 inspections of nonpermittee wholesale liquor dealers.

The Liquor Enforcement Act of 1936 prohibits the importation, or attempts at importation, of liquors into a dry State except in accordance with provisions of State law implementing that act. Oklahoma is the only State now entitled to such protection. During the year 31 arrests were made and 2,047 wine gallons of taxpaid distilled spirits and 23 vehicles were seized, the seized property being valued at \$65,832, for violations of this act.

In its tobacco enforcement program, the Internal Revenue Service made 231 investigations of alleged violations, resulting in 41 arrests and the collection of \$17,172 in taxes and penalties.

#### CASES INVOLVING CRIMINAL PROSECUTION

During the year, 1,931 cases, involving 2,075 proposed defendants and relating principally to income and wagering tax violations, were forwarded by Regional Counsel to the Department of Justice and United States Attorneys. Of these cases 1,861 were recommended for prosecution and 70 were transmitted as related subject matter. Included in the cases referred were 1,097 wagering tax cases. The previous high involved 1,503 cases, with 1,635 proposed defendants, transmitted during the fiscal year ended June 30, 1953, with prosecution recommended in 1,405 of the cases and not recommended in 98 cases.

Conclusion against prosecution by mutual agreement between the offices of regional counsel and regional commissioners was reached in 169 cases, and the Department of Justice returned 76 cases without prosecution. A total of 1,629 cases was closed and at the end of the year the closing inventory totaled 3,802 cases of which 2,799 were awaiting closing, or were pending in the Department of Justice or United States Attorneys' offices, or were pending in the courts.

Grand juries returned indictments against 1,561 defendants, and no true bills involving 14 proposed defendants. On trial, 190 defendants were convicted and 1,101 defendants, in 1,061 cases, entered pleas of guilty or *nolo contendere*, while 77 defendants were acquitted. Included in the acquittals were defendants in cases involving other defendants convicted. In 70 cases, principally involving related cases in which pleas or convictions of other defendants were obtained, indictments involving 96 defendants were dismissed or *nol-prossed*. Exclusive of wagering tax cases, sentences were imposed involving \$2,856,177 in fines and prison sentences totaling 512 years, and 893 years were imposed in suspended sentences and probation cases.

#### DELINQUENT RETURNS AND COLLECTION OF DELINQUENT ACCOUNTS

**Delinquent returns.**—Although a very high percentage of tax returns is received in timely fashion, another branch of enforcement work relates to the obtaining of delinquent returns. Several methods for detecting delinquent returns, including information documents, canvassing, etc., are utilized.

When an internal revenue officer finds that a taxpayer is delinquent in filing a tax return, the taxpayer is requested to prepare and sign a return. To avoid delay or assist the taxpayer, the officer may prepare the return from information secured from the taxpayer's records and then request him to sign it. If the taxpayer refuses to prepare a return or sign one prepared by the internal revenue officer, a substitute return must be prepared by the Internal Revenue Service.

In case of failure to make and file a return within the prescribed time, a penalty is added to the tax unless failure to file is shown to be due to reasonable cause and not to willful neglect. The penalty is 5 percent if the failure is for not more than 1 month, with an additional 5 percent for each additional month or fraction thereof, not to exceed 25 percent in the aggregate.

During the year, 854,748 delinquent returns were obtained on which taxes, interest, and penalties totaling \$127,633,451 were reported. A comparison of these amounts, according to classes of tax, with the preceding year, is shown below:

*Delinquent returns secured, fiscal years 1953 and 1954*

Type of tax	Number		Amount of taxes, interest, and penalties	
	Fiscal year 1953	Fiscal year 1954	Fiscal year 1953	Fiscal year 1954
Income.....	63,390	55,016	\$25,264,048	\$16,304,634
Payroll.....	534,798	480,621	98,765,978	90,408,315
Miscellaneous.....	501,384	319,111	23,560,046	20,920,502
Total.....	1,099,542	854,748	147,590,072	127,633,451

*Warrants for distraint.*—Generally, internal revenue taxes are paid at the time or before the tax return is filed by the taxpayer. If a return is submitted without full payment of tax, if additional tax is found to be due upon audit and investigation, or if tax is assessed on a delinquent return which is not accompanied by payment, the law requires the issuance of a notice calling for payment of the unpaid balance within 10 days after mailing of the notice. Except in a few instances, such as payments on declarations of estimated tax, no statutory provision is made for installment payments.

In the interest of economical administration, other notices of delinquent accounts are also issued if the taxpayer fails to make payment within the 10 days specified in the first notice. However, the law in effect during 1954 authorized, in the event payment was not received after the first 10-day notice, the issuance of a warrant for distraint, which empowered forcible collection of the delinquent account by levy on wages, seizure of real and personal property, etc. The warrant was issued over the signature of the District Director and set forth the name and address of the taxpayer and the amount of tax which was to be collected. Shortly after the close of the year, enactment of the Internal Revenue Code of 1954 eliminated the warrant for distraint and made other modifications in the system for handling delinquent accounts.

The following table provides comparative statistics on warrants for distraint for the fiscal years 1953 and 1954.

*Warrants for distraint collected, uncollectible, and outstanding, fiscal years 1953 and 1954*

[Dollars in thousands]

Item	Fiscal year			
	1953		1954	
	Number	Amount	Number	Amount
Collected, total.....	1,700,406	\$505,592	1,529,287	\$536,331
Income taxes.....	1,325,936	354,354	1,106,480	333,946
Payroll taxes (withholding and unemployment).....	320,375	132,487	374,012	181,506
Miscellaneous taxes, including distilled spirits.....	54,095	18,751	48,795	20,879
Returned as uncollectible.....	124,655	54,046	122,829	66,474
On hand, end of period, total.....	1,075,773	862,106	1,306,409	1,061,201
Income taxes.....	818,961	718,749	923,707	796,739
Payroll taxes (withholding and unemployment).....	222,819	114,214	340,029	210,567
Miscellaneous taxes, including distilled spirits.....	33,993	29,143	42,673	43,895

### FIREARMS PROGRAM

The National Firearms Act was enacted to prevent fully automatic firearms, such as machineguns and machine pistols, and sawed-off shotguns and rifles from being acquired and used by criminals. The law provides for the mandatory registration of such weapons and the imposition of a prohibitive transfer tax, thus discouraging traffic in such weapons except to military and law enforcement agencies. The law further provides for the imposition of a tax on the manufacture of firearms by other than qualified manufacturers.

The Federal Firearms Act was enacted to prevent criminals from obtaining firearms and ammunition. It deals exclusively with the transportation, shipment, or receipt of firearms or ammunition in interstate or foreign commerce.

The Act of August 9, 1939 (49 U. S. C. 781-788) makes it illegal to transport, carry, conceal, convey, or possess any contraband article (including any weapon within the classification of a firearm under the National Firearms Act, with respect to which there has been committed any violation of said act or the regulations issued pursuant thereto) in or upon any vessel, vehicle or aircraft or upon the person of anyone therein, and subjects the vessel, vehicle, or aircraft to seizure and forfeiture.

During the year 2,497 investigations were conducted. Many cases originated with local law enforcement agencies or were investigated jointly with them. A total of 298 cases of violations of the National and Federal Firearms Acts was referred to the Department of Justice for prosecution, and 49 vehicles were seized. Registrations of firearms, during the year, totaled 1,928.

### APPEALS AND CIVIL LITIGATION

#### GENERAL

The primary purpose of the appeals procedure is to provide within the Internal Revenue Service an administrative means whereby a taxpayer who does not agree with a proposed adjustment to his tax liability may obtain a review of the proposal for the purpose of reaching an agreement with respect to the amount of the adjustment.

The appeals function is decentralized and operates at two organizational levels. In the audit division of each district director's office any taxpayer who does not agree with the findings of the examining officer may request an informal conference with the examiner's superior or a designated conferee (see p. 11). In the Appellate Division, which is independent of the district director's office, a taxpayer who is in disagreement with the proposed determination of the district director may ask for a hearing on his case. Conference opportunities are available in the Appellate Division in cases docketed in the Tax Court of the United States as well as in cases not so docketed.

The jurisdiction of both the audit divisions of the district directors' offices and of the Appellate Division extends to all internal revenue taxes except those involving alcohol, tobacco, firearms, narcotics, and wagering. It applies to disagreements involving overassessments as well as deficiencies.

#### SUMMARY OF APPEALS PROCEDURE

A taxpayer who does not agree with the findings of the examining officer or has been unable to reach a settlement by the informal conference procedure may file a written protest with the district director and request consideration of his case by the Appellate Division; or may file a petition seeking a redetermination of any deficiency by the Tax Court of the United States. An alternative to these avenues of appeal is to pay the tax, file claim for refund, and bring suit in a United States district court or in the United States Court of Claims.

Any taxpayer who has petitioned the Tax Court also may request a conference in the Appellate Division for the purpose of arriving at a settlement without a trial. If such a settlement is reached, and is concurred in by Regional Counsel, the court will enter a decision in accordance with the stipulation entered into by the parties and no hearing is necessary. If no agreement is reached at such a conference, or if no conference is desired by the petitioner, a hearing is conducted before the Tax Court.

If a hearing is held, the Tax Court may sustain the Commissioner's determination, may reverse the entire determination, or may call for recomputation of tax in accordance with its findings and opinion.

A taxpayer who does not agree with the decision of the Tax Court may file a motion for rehearing or for reconsideration by the division which heard the case; may file a motion for review by the full court; and may file a petition with the United States court of appeals for review of the decision.

If the taxpayer desires to appeal from the decision of the court of appeals or the Court of Claims, a petition for writ of certiorari must be filed with the Supreme Court of the United States. The granting of the petition is in the discretion of the Supreme Court. Such a review is granted only for special and important reasons.

A taxpayer desiring Appellate Division consideration of a case involving excise or employment taxes must first file claim for abatement or pay the tax and file claim for refund. The procedure differs primarily because the jurisdiction of the Tax Court does not extend to these levies. Judicial review is restricted to the United States district courts and the Court of Claims; with appeals as described above.

The Appellate Division has no jurisdiction in any case once suit is brought on a claim for refund, and it may not act in any case in which criminal prosecution is under consideration. In cases involving issues arising under section 722 of the Internal Revenue Code of 1939, settlement authority within the Internal Revenue Service is vested in the Excess Profits Tax Council.

#### APPELLATE DIVISION CONSIDERATION OF CASES NOT BEFORE THE TAX COURT

In cases not docketed in the Tax Court the Appellate Division acts on behalf of the Commissioner to review protested determinations of tax liability. Any settlement effected by the Appellate Division is final and will not be reopened unless it is shown that the disposition involved fraud, malfeasance, concealment or misrepresentation of material fact, or an important mistake in mathematical calculations. The Appellate Division will not eliminate the ad valorem fraud or negligence penalties except with concurrence of Regional Counsel.

The Appellate Division's activities for 1954 in the disposition of protested income, profits, estate, and gift tax cases not before the Tax Court are summarized below. (For additional information, see table 13, p. 94.)

#### Appellate Division receipt and disposition of protested income, profits, estate, and gift tax cases not before the Tax Court, fiscal years 1953 and 1954

Status	Number of cases	
	Fiscal year 1953	Fiscal year 1954
Opening inventory.....	10,077	19,365
Received.....	1,20,962	8,950
Dispositions, total.....	11,674	14,737
Closed.....	9,675	12,615
Petitioned.....	1,999	2,222
Closing inventory.....	19,965	13,678

<sup>1</sup> Receipts for fiscal year 1953 include 19,069 cases transferred from internal revenue agents' conference sections merged into Appellate Division during fiscal 1953 under Reorganization Plan No. 1 of 1952.

NOTE.—A case may include several tax years of one taxpayer.

There were 13,578 nondocketed cases on hand June 30, 1954, of which 12,251 cases, involving \$561,875,000 additional taxes and \$116,367,000 proposed overassessments, were awaiting action by the Appellate Division, and 1,327 cases involving \$49,312,000 additional taxes and \$2,923,000 proposed overassessments were awaiting taxpayers' action on statutory notices.

The following table shows results of Appellate Division actions with respect to excise tax cases:

#### Appellate Division receipt and disposal of protested excise tax cases, fiscal year 1954

Status	Number of cases	
	Refund claims	Abatement claims
Opening inventory.....	45	102
Received.....	137	197
Dispositions, total.....	81	124
Settled by agreement.....	16	48
Partial allowance—no agreement.....	1	6
Claims rejected—no agreement.....	57	54
Other.....	7	16
Closing inventory.....	101	175

#### CASES PETITIONED TO THE TAX COURT

A taxpayer who does not agree to a deficiency determined by the Internal Revenue Service in a case involving income, profits, estate, or gift taxes and desires a judicial opinion of his case may file a petition asking a redetermination of the tax by the Tax Court of the United States, an independent agency having no connection with the Internal Revenue Service.

After a petition is filed with the Tax Court, the Appellate Division, with concurrence of Regional Counsel, may effect a settlement of a case by stipulation before it goes to trial. However, the Appellate Division may not modify any determination of an issue under section 722 except with

concurrence of the Excess Profits Tax Council and may not act in any case in which criminal prosecution is under consideration.

The Chief Counsel's office has exclusive authority to represent the Commissioner in the defense of all cases pending before the Tax Court of the United States which represent appeals from determinations by the Commissioner with respect to income, excess profits, estate, and gift taxes. The defense of such cases includes the preparation of motions, answers, and other pleadings, the conduct of hearings thereon, the trial of the cases in the Tax Court, the preparation and submission of briefs and recomputations, and the conduct of hearings on recomputations, motions, etc.

The following table shows the disposition of cases in the Tax Court by the Appellate Division and the Chief Counsel during the fiscal year 1954.

*Receipt and disposition of petitioned income, profits, estate, and gift tax cases by the Appellate Division and by the Office of the Chief Counsel, fiscal years 1953 and 1954*

Status	Number of cases	
	Fiscal year 1953	Fiscal year 1954
Pending, beginning of year.....	9,006	10,920
Received during year.....	7,677	4,433
Disposals:		
Settled by stipulation.....	4,229	5,367
Closed by dismissal or default.....	530	300
Tried before Tax Court on merits.....	1,014	1,191
Total disposals.....	5,763	6,858
Pending settlement or trial, end of year.....	10,920	8,495

The total number of cases decided on merits by the Tax Court during 1954 was 947, consisting of 348 cases in which the Commissioner's determination was wholly sustained, 384 in which the Commissioner's determination was partly sustained, and 215 cases in which the Commissioner's determination was reversed.

If the Tax Court decision is adverse to the position taken by the Commissioner, it is the policy of the Commissioner to publish in his official publication, the Internal Revenue Bulletin, a listing of the cases in which he acquiesces in the court decision and therefore regards the case as having precedent value in the consideration of other cases of a similar nature.

During the fiscal year 1954 there were published in the Internal Revenue Bulletin acquiescences of the Commissioner in 202 adverse decisions of the Tax Court and nonacquiescences in 46 adverse decisions.

#### OTHER COURTS

The progress of cases in appellate courts on appeals from decisions of the Tax Court for 1954 is indicated by the following table:

*Cases in appellate courts on appeals from decisions of the Tax Court, fiscal year 1954*

Status	Number of cases	
	In Courts of Appeals	In Supreme Court
Pending July 1, 1953.....		
Appealed.....	416	3
	327	1
Total to be accounted for.....	743	4
Disposed of during year:		
Favorable to Commissioner.....	153	3
Favorable to taxpayers.....	105	
Modified.....	20	
Settled.....	4	
Dismissed.....	54	
Total.....	336	3
Pending June 30, 1954.....	407	1

During the fiscal year 1954 there were 511 cases involving tax issues decided by other Federal civil courts (exclusive of bankruptcy, receivership, insolvency, compromise, and liquor tax cases).

The distribution of these cases, by court involved and according to the nature of the decision, is as follows:

*Cases involving tax issues decided by Federal civil courts, fiscal year 1954*

Courts	For the Government	Against the Government	Partly for and partly against the Government	Total
District courts.....	181	188	19	368
Courts of appeal.....	45	51		96
Court of Claims.....	30	16		46
Supreme Court.....	1			1
Total.....	237	255	19	511

As of June 30, 1954, there were 3,034 civil cases involving tax questions pending in district and State courts, 107 pending in courts of appeal, and 477 pending in the Court of Claims.

#### CLAIMS FOR RELIEF FROM EXCESS PROFITS TAX

During the year the Excess Profits Tax Council's efforts were concentrated on the pretrial settlement of cases pending in the Tax Court which arose under the relief provisions of the excess profits tax of 1940-45 (sec. 722, Internal Revenue Code of 1939). Claims petitioned to the Court by about 200 corporations were closed during the year, the majority without trial. At the end of the year there were pending before the Court cases of some 600 corporations involving about \$800 million in claimed reductions of excess profits tax.

Nondocketed section 722 claims of 30 corporations involving over \$200 million in claimed reductions of excess profits tax were disposed of during the year. Pending at the end of the year was a relatively small number of very large and unusually complex nondocketed cases involving more than \$250 million in claimed refunds.

## CHANGES IN TAX LIABILITY

## ADDITIONAL TAXES

The examination of returns by revenue agents and auditors resulted, in a majority of the cases, in assessment of additional tax. Other assessments of additional tax resulted from the obtaining of delinquent returns and the mathematical verification procedure.

The total amount of additional taxes, including interest and penalties, found to be due from taxpayers as a result of these activities during 1954 was \$1,454,539,000. This amount includes duplicate assessments against transferees and jeopardy assessments, but these duplicate and jeopardy assessments comprise only a slight proportion of the total. (Jeopardy assessments permit immediate collection of tax deficiencies and are imposed to protect the interests of the Government in those instances in which there is reason to believe that the taxpayer may seek to avoid payment by disposing of or secreting his assets.)

Occasionally it becomes necessary to enforce collection of additional taxes through distraint procedures, but, generally speaking, the amounts represented by additional taxes are not duplicated in distraint warrant collections shown on page 16.

The following table shows a comparison of additional taxes for the fiscal years 1953 and 1954, by general classes of tax.

*Tax, interest, and penalty resulting from enforcement efforts, fiscal years 1953 and 1954*

[In thousands of dollars]

Item	Fiscal year	
	1953	1954
<b>ADDITIONAL TAX, INTEREST, AND PENALTY ASSESSED AS A DIRECT RESULT OF AUDIT</b>		
Income and profits:		
Corporation income and profits.....	542,959	579,279
Individuals and fiduciaries:		
Prerefund audit.....	13,618	33,714
Regular audit.....	587,450	498,470
Total, income and profits.....	1,144,026	1,111,462
Employment taxes <sup>1</sup> .....	27,400	23,580
Miscellaneous internal revenue:		
Estate and gift.....	118,382	105,904
All other.....	17,706	7,471
Total, miscellaneous taxes.....	136,088	113,376
Total, as a direct result of audit.....	1,307,514	1,248,418
<b>INCREASE IN TAX RESULTING FROM MATHEMATICAL VERIFICATIONS</b>		
Individual income tax <sup>1</sup> .....	97,683	77,207
Corporation income tax.....	3,175	1,281
Total.....	100,858	78,488
<b>AMOUNTS OF TAX, INTEREST, AND PENALTY ASSESSED ON DELINQUENT RETURNS</b>		
Income taxes.....	25,264	16,305
Employment taxes <sup>1</sup> .....	98,766	90,408
Miscellaneous taxes.....	23,560	20,921
Total.....	147,590	127,633
Grand total.....	1,555,962	1,454,639

<sup>1</sup> Includes withheld income tax.

<sup>2</sup> Includes fiduciary tax.

## OVERASSESSMENTS AND OVERPAYMENTS

*General.*—The policy of the Internal Revenue Service is to collect the correct tax prescribed by law, neither more nor less. Accordingly, when, as is frequently the case, it is found that a taxpayer has overpaid his tax, procedures are provided for determining the overassessment and allowing refund or credit as expeditiously as possible, taking into consideration all of the laws and responsibilities governing the Revenue Service.

An overassessment of tax as finally determined may be applied as an abatement of a previous assessment providing the tax has not been paid; as a credit of amounts overpaid against other taxes due; as a refund of amounts overpaid if all other taxes have been satisfied; or a combination of these methods of settlement, as circumstances may require. Interest at the rate of 6 percent per annum is allowed on all overpayments, except in cases on which interest is restricted or prohibited by law.

*Refunds and repayments.*—A total of \$3,468,625,000 was refunded (including stamp redemptions and drawbacks of tax on exported tobacco and alcohol products) during the fiscal year 1954. These repayments were made from the appropriation entitled "Refunding Internal Revenue Collections, 1954 and Prior Years."

Following is a summary of the refunds paid, showing the number and amounts of refunds and repayments allowed and the amounts of interest allowed, with respect to each general class of tax during the fiscal years 1953 and 1954.

*Number and amount of internal revenue refunds, including interest, during fiscal years 1953 and 1954*

[Figures in thousands]

Class of tax	Number		Amount refunded or paid		Interest allowed (included in amounts refunded)	
	1953	1954	1953	1954	1953	1954
Corporation income and profits taxes.....	44	53	\$410,474	\$482,516	\$54,046	\$60,531
Individual income and employment taxes:						
Excessive prepayment income tax.....	32,237	31,289	2,586,079	2,687,147	3,829	4,296
Other income tax and old-age insurance.....	1,116	1,128	126,189	213,744	13,294	16,211
Railroad retirement.....	( <sup>2</sup> )	( <sup>2</sup> )	842	277	140	40
Unemployment insurance.....	16	17	2,132	2,329	62	61
Total individual income and employment tax.....	33,369	32,435	2,715,243	2,903,498	17,325	19,608
Miscellaneous internal revenue:						
Capital stock tax.....	( <sup>2</sup> )	( <sup>2</sup> )	3,436	41	692	11
Estate tax.....	3	3	10,598	11,740	1,006	1,606
Gift tax.....	( <sup>2</sup> )	( <sup>2</sup> )	854	855	47	135
Alcohol taxes <sup>1</sup> .....	19	19	56,748	59,755	24	29
Tobacco taxes <sup>1</sup> .....	( <sup>2</sup> )	( <sup>2</sup> )	24	72	1	( <sup>2</sup> )
Manufacturers' and retailers' excess taxes.....	1	1	557	2,757	52	290
Wagering tax (excise).....	( <sup>2</sup> )	( <sup>2</sup> )	8	17	( <sup>2</sup> )	( <sup>2</sup> )
Redemption of stamps:						
Alcohol.....	2	2	714	172	( <sup>2</sup> )	( <sup>2</sup> )
Wagering.....	( <sup>2</sup> )	( <sup>2</sup> )	3	3	( <sup>2</sup> )	( <sup>2</sup> )
Narcotics.....	( <sup>2</sup> )	( <sup>2</sup> )	3	1	( <sup>2</sup> )	( <sup>2</sup> )
Silver.....	( <sup>2</sup> )	( <sup>2</sup> )	3	10	1	1
Tobacco.....	1	2	2,466	2,684	9	30
Other.....	2	2	248	359	9	30
Total stamp redemptions.....	5	5	3,433	3,229	10	31
Other.....	5	5	3,687	4,145	1,161	389
Total miscellaneous internal revenue.....	35	34	78,947	82,611	2,993	2,492
Total refunds of internal revenue.....	33,448	32,522	3,204,663	3,468,625	74,363	82,631

<sup>1</sup> Includes drawbacks.

<sup>2</sup> Less than 500 in number or dollars.

NOTE.—There was also refunded during the fiscal year 1954 the amount of \$11,287, with no interest, from the Puerto Rico trust fund collections.

*Excessive prepayments of individual income tax.*—By far, the largest portion of the refunds resulted from excessive prepayments of individual income tax, usually because of overwithholding of tax from wages by employers.

The refunds and credits of such excessive prepayments are determined from the individual income tax returns and are processed under expedited procedures which make it possible to complete this work shortly after the close of the annual period for filing such returns. The following table shows the number and amount of these refunds and credits for the tax-return years 1950-53.

*Excessive prepayments of individual income tax, taxable years 1950-53*

[Figures in thousands]

Taxable year	Refunds			Credits	
	Number (1)	Principal (2)	Interest (3)	Number (4)	Amount (5)
1950.....	29,836	\$1,606,691	\$1,753	662	\$151,566
1951.....	29,045	1,903,827	3,523	590	170,999
1952.....	30,152	2,375,989	1,626	1,020	306,681
1953.....	31,591	2,739,932	3,879	1,130	462,818

\*Revised.

*Tentative adjustments.*—Section 3780 of the Internal Revenue Code of 1939 provided that a taxpayer may file an application for a tentative carryback adjustment of the income and profits taxes for preceding taxable years affected by a net operating loss carryback or an unused excess profits credit carryback from any taxable year ending on or after September 30, 1945. Within a period of 90 days from the date on which a tentative carryback application is filed, the Internal Revenue Service is required to make a limited examination of the application (subject to complete audit at a later date) and, if it is found acceptable, to determine the amount of increase or decrease in tax attributable to the carryback, assess any resulting deficiencies, and schedule for abatement, credit, or refund any resulting overassessment.

A comparison of work done on applications for tentative carryback adjustments for fiscal years 1953 and 1954 is shown in the following table.

*Receipt and disposal of tentative carryback adjustments, fiscal years 1953 and 1954*

[Dollars in thousands]

Status	Number	Amount claimed	Amount allowed
<b>FISCAL YEAR 1953</b>			
Pending at beginning.....	4,672	\$38,654	.....
Applications received.....	37,483	383,215	.....
Applications adjusted, total.....	35,627	354,803	\$343,068
Allowed in whole.....	31,753	337,088	337,023
Allowed in part.....	1,394	7,961	6,345
Rejected.....	2,480	9,754	.....
Pending at end.....	6,528	67,067	.....
<b>FISCAL YEAR 1954</b>			
Pending at beginning.....	6,528	67,067	.....
Applications received.....	37,298	329,504	.....
Applications adjusted, total.....	36,788	345,731	\$29,454
Allowed in whole.....	32,173	320,425	320,748
Allowed in part.....	1,732	10,270	8,706
Rejected.....	2,883	15,036	.....
Pending at end.....	7,038	50,840	.....

*Other claims.*—A total of 574,844 other claims (exclusive of tentative adjustments and claims under sec. 722 of the 1939 Code) were processed during the year.

Included in this total were taxpayers' claims on Form 843 for adjustment of tax (including amended returns showing a reduction in tax which are treated as Form 843 claims); claims for special refund under section 1401(a) of the Federal Insurance Contributions Act; claims for redemption of tobacco and liquor stamps, and claims for drawback of tax on distilled spirits used in nonbeverage products.

Disposition of these claims by class of tax for fiscal years 1953 and 1954 is shown in the table which follows:

*Disposition of claims by class of tax for fiscal years 1953 and 1954*

Class of tax	Number of claims disposed of	
	Fiscal year 1953	Fiscal year 1954
Corporation income and profits taxes.....	25,853	33,011
Individual income taxes.....	324,466	441,537
Income tax withheld and old-age insurance.....	51,174	35,324
Unemployment insurance.....	15,108	13,994
Railroad retirement taxes.....	118	109
Estate and gift taxes.....	1,189	1,254
Tobacco taxes.....	1,852	1,937
Alcohol taxes.....	21,753	38,874
Other taxes.....	11,421	8,904
Total.....	452,934	574,844

*Review of overassessments exceeding \$200,000.*—The Internal Revenue Code of 1939 provided that in case a refund or credit of certain taxes exceeded \$200,000, a report was prepared for the Joint Committee on Internal Revenue Taxation. During 1954, reports were made to the Committee in 200 cases involving overpayments of \$409,047,000. These cases include overassessments of income, excess profits, estate and gift taxes proposed for allowance; allowances already made of tentative amortization and carryback adjustments of income and excess profits taxes; and interim refunds allowed to taxpayers entitled to the benefits of section 22(d)(6) of the Internal Revenue Code. Any deficiencies coupled with such tax reductions under review are likewise subject to review.

It should be noted that the Internal Revenue Code of 1954 provides that the Committee shall receive reports on cases in which the refund or credit exceeds \$100,000.

### OFFERS IN COMPROMISE

An offer in compromise of taxes, interest, ad valorem and specific penalties may be based either on inability to pay or doubt as to liability. Offers in compromise arise, usually, when payments of assessed liabilities are demanded, ad valorem penalties for delinquency in filing returns are asserted, or specific civil or criminal penalties are incurred by taxpayers. A criminal penalty will not be compromised unless it involves only the regulatory provisions of the Internal Revenue Code and related statutes and there is doubt as to whether the violation was deliberate and with intent to defraud.

Liabilities may not be adjusted or settled by compromise solely because a hardship case is presented which arouses sympathy or is merely appealing from the standpoint of equity.

All offers in compromise are filed with or forwarded to the offices of the District Directors of Internal Revenue. Decentralized procedures for processing offers in compromise became effective July 1, 1953. Offers based on the merits of the tax liability and/or inability to pay the total amount due are investigated by internal revenue agents. The reports of the investigations and the information submitted by taxpayers are considered by the district audit divisions in processing of the offers in compromise. All offers involving liabilities of \$500 or more, as well as specific penalties which are recommended for acceptance, are forwarded to the National Office for review. These cases are then forwarded to the office of the Chief Counsel for further review and the issuance of the legal opinion required under section 3761(b) of the Internal Revenue Code of 1939. After the legal opinion is issued, the case is forwarded to the Commissioner for approval.

In the event of rejection or proposed rejection of an offer, the taxpayer is notified and is given an opportunity to obtain a reconsideration by the Appellate Division.

Offers relating to violations of administrative provisions of the Internal Revenue Code with respect to narcotic, smoking opium, and marihuana laws (except those offers relating to delinquency in registration and delinquency in payment of tax) are transmitted to the Commissioner of Narcotics for acceptance or rejection. After a case is closed by the Bureau of Narcotics, copies of the letters of acceptance or rejection are forwarded to the National Office for adjustment and final processing of the case. Dual liability cases, involving both civil and criminal features of the narcotic, smoking opium, and marihuana laws, are closed by joint action of the Commissioner of Narcotics and the Commissioner of Internal Revenue.

During the fiscal year 1954, consideration was given to the backlog of excise, withholding, and employment tax and penalty offers awaiting action in the National Office. In view of the new compromise procedure inaugurated as of July 1, 1953, the conclusion was reached that these offers could be more expeditiously processed in the National Office. During the year, its backlog of compromise cases was reduced from 11,958 to 1,615. It received 7,798 cases and disposed of 17,694.

The District Directors of Internal Revenue process substantially all tax and penalty offers in compromise which were filed on or after July 1, 1953. Prior to that date, they processed offers involving income, profits, and certain other taxes, provided the liability in each case was \$5,000 or less. During the year, the regional appellate offices processed offers involving income, profits, and certain other taxes, provided the offers were filed prior to July 1, 1953, and the liability exceeded \$5,000.

District Directors and the regional appellate offices received 6,918 tax offers and disposed of 5,440 offers, leaving a total of 7,251 tax offers on hand as of June 30, 1954. In addition, the District Directors received 13,856 specific and delinquency penalty offers and disposed of 10,040 offers, leaving a total of 6,758 specific and delinquency penalty offers on hand as of June 30, 1954.

The Chief Counsel's office considers tax offers in cases in which court proceedings, except the Tax Court, are involved, or criminal prosecution is pending. During the year, that office received 567 tax offers and dis-

posed of 579 offers, leaving a total of 515 offers on hand as of June 30, 1945.

The Alcohol and Tobacco Tax Division considers all offers involving alcohol, tobacco, and firearms taxes, and penalties. During the fiscal year 1954, it received 1,399 tax and penalty offers and disposed of 1,622 offers, leaving a total of 131 offers on hand as of June 30, 1954.

The following table shows the statistics on all offers in compromise processed during the fiscal year 1954:

*Offers in compromise disposed of, fiscal year 1954*

[Dollars in thousands]

Type of tax or penalty	Accepted			Rejected or withdrawn		
	Number	Liabilities	Offers	Number	Liabilities	Offers
	(1)	(2)	(3)	(4)	(5)	(6)
Income, profits, estate, and gift taxes.....	1,690	\$23,990	\$8,194	2,793	\$73,062	\$13,330
Excise taxes.....	546	2,858	763	448	3,575	456
Employment and withholding taxes.....	2,185	4,623	1,433	1,628	6,983	1,127
Alcohol taxes.....	161	196	32	190	791	39
Delinquency penalties on all taxes.....	18,356	10,048	1,499	2,104	2,157	324
Specific penalties.....	5,180		169	94		26
Totals.....	28,118	41,714	12,069	7,257	86,568	15,301

## RULINGS, REGULATIONS, AND RELATED FUNCTIONS

One of the primary functions of the National Office is to provide regulations and rulings for the guidance of the public and tax practitioners and to enable the decentralized field organization to give uniform application of the tax laws throughout the country.

### REGULATIONS PROGRAM

The tax statutes generally require the Secretary of the Treasury or his delegate (ordinarily the Commissioner of Internal Revenue) to prepare regulations carrying out the specific provisions of the statutes and, in specified instances, establishing detailed rules for the application of generalized objectives.

Complete regulations prepared and issued during the year were Regulations 118, the first complete revision of income tax regulations since 1943, and Regulations 120, the first complete revision of income tax withholding regulations since 1944.

A total of 32 other Treasury Decisions (amendments of regulations) was issued, including the following major items:

(1) Treasury Decision 6034, approved July 29, 1953, prescribing regulations relative to the newly authorized credit for estate tax paid to foreign countries.

(2) Treasury Decision 6037, approved August 18, 1953, conforming Regulations 111 to the provisions of section 340 of the Revenue Act of 1951, which section had as its purpose the harmonizing of the rules governing interests in the so-called family partnership with those generally applicable to other forms of property or business.

(3) Treasury Decisions 6039 and 6040, approved August 27, 1953, prescribing regulations under certain provisions of the Technical Changes Act of 1953 designed to correct the abuses arising under section 116(a)(2)

of the Internal Revenue Code of 1939, relating to exclusion of income earned abroad.

(4) Treasury Decision 6042, approved September 16, 1953, which resulted from a petition submitted by certain groups of taxpayers, easing the requirements for filing information returns reporting dividends paid by savings and loan associations and similar organizations for calendar years after 1952.

(5) Treasury Decision 6072, approved June 3, 1954, setting forth the regulations applicable to claims for the credit or refund of tax on floor stocks of electric light bulbs and tubes, etc., and indicating the type of supporting evidence which is required in respect of such claims.

### TAX RULINGS

A total of 51,060 requests for tax rulings and technical advice were answered during the year. The requests included 45,848 from taxpayers and 5,212 from field offices of the Revenue Service. In the last 6 months of the preceding fiscal year, the number of requests for rulings was 30,277, of which 26,168 were from taxpayers and 4,109 from revenue offices.

An analysis of the rulings this year, by subject matter, is as follows:

#### *Requests for tax rulings and technical advice processed, fiscal year 1954*

Subject	Taxpayers' requests	Field requests	Total
Income and excess profits tax.....	38,195	1,901	39,996
Excise taxes.....	3,871	1,220	5,091
Employment and self-employment tax.....	1,773	1,090	2,863
Estate and gift tax.....	1,097	228	1,323
Engineering items.....	912	875	1,787
Total.....	45,848	5,212	51,060

As a direct result of the announced expansion of the publication program relative to communications issued by the Internal Revenue Service, the number of rulings published in the Internal Revenue Bulletin increased from 151 for the fiscal year 1953 to 432 for fiscal year 1954. A breakdown of the published rulings by type of tax or subject matter follows:

#### *Tax rulings published, fiscal years 1953 and 1954*

Subject	Fiscal year	
	1953	1954
Income tax.....	96	212
Excise tax.....	33	88
Estate and gift taxes.....	4	40
Employment taxes.....	2	20
Excess profits tax.....	4	13
Firearms.....	0	6
Alcohol and tobacco taxes.....	4	40
Miscellaneous.....	8	13
Total.....	151	432

### LEGAL SERVICES

The transfer of functions from the National Office to the Offices of Regional Counsel and the delegation of authority to the extent consistent

with efficient and expeditious handling of work were accomplishments of major importance in the legal area during fiscal year 1954.

In the latter part of the fiscal year, all of the duties and functions formerly exercised by the appellate, enforcement, and civil advisory counsels, and the attorney in charge (alcohol and tobacco tax) were vested in the regional counsel with power to redelegate.

A large segment of the legal work involved in proceedings under the Bankruptcy Act, receiverships, and other insolvencies, discharge or release of liens, administration of the estates of decedents or incompetents, offers in compromise, and legal work in connection with Federal tax liens in suits for foreclosure or to quiet title by mortgagees and other secured creditors, which was formerly handled in the Claims Division of the Chief Counsel's office, was decentralized to the offices of regional counsel. Principally, only those matters requiring affirmative action by the Secretary of the Treasury, the Commissioner of Internal Revenue, or the National Office, were not transferred.

The review of overassessments of unpaid income, excess profits, estate, and gift taxes in cases pending before the Tax Court where the abatement thereof exceeds \$200,000 (\$100,000—1954 Code) and no report to the Joint Committee is required by section 3777 of the Code was decentralized to the regional counsel.

A new procedure was adopted which provides that proofs of claim in liquidating bankruptcies, receiverships, decedent estates, and other miscellaneous insolvencies are retained in the district directors' offices unless and until it appears that legal advice or services are required. This eliminates the necessity of handling in the Chief Counsel's office, at either national or regional level, cases in which claims for taxes are as a matter of routine allowed and paid and which do not require the advice of an attorney.

A policy was placed in effect in regional counsel offices providing for the assignment of a variety of appellate, enforcement, and collection work to each attorney handling a docket of cases. This program is designed to afford the attorneys a broad experience in the various types of work and implements the inservice training program.

Realignment was made in the organizational structure of the National Office with the aim of improving operating efficiency and enabling the more expeditious handling of cases.

### TAX CONVENTIONS AFFECTING THE INTERNAL REVENUE SERVICE

The United States income, profits, estate, and gift tax laws apply to United States citizens whether residing at home or abroad, and to their income from domestic and foreign sources. They also apply to aliens residing in the United States and to the income of nonresident aliens derived from domestic sources. Since other nations usually tax their residents on income from sources in their territory, serious problems of double taxation arise in the international field.

Accordingly, the Revenue Service has participated for many years in the negotiation of treaties with various countries in which the double taxation arises. During the fiscal year 1954, ratifications of tax treaties with Belgium, Greece, and Australia were exchanged and the treaties became effective.

Negotiations were completed for income and estate tax treaties with

Japan, an estate tax treaty with Belgium, and a supplemental treaty with the United Kingdom. These treaties were signed by the appropriate diplomatic representatives and were referred to the Senate for ratification. Also, tax treaties with the Federal Republic of Germany were negotiated and brought close to the point of formal signature.

Other countries with whom negotiations were conducted during the year included the Netherlands, Honduras, France, Italy, Canada, and Austria.

As a part of the technical assistance programs, the Revenue Service regularly provides facilities for foreign tax officials designated by their governments to study the statutes, organization, and techniques of tax administration in the United States. A total of 82 officials from 28 foreign countries visited the National Office for varying periods of study during the year. Frequently, after extensive conferences with specialists in the National Office, they visited selected district offices in order to observe the manner in which general policies are implemented.

## IMPORTANT LEGISLATION AFFECTING THE INTERNAL REVENUE SERVICE

### LEGISLATION ENACTED DURING FISCAL 1954

The principal enactments of the 83d Congress during the fiscal year include:

Public Law 125, approved July 16, 1953, extending until December 31, 1953, the period during which the excess profits tax shall be effective. Otherwise, this tax would have expired as of June 30, 1953.

Public Law 196, approved August 5, 1953, permitting unemployment insurance coverage under State unemployment compensation laws for seamen employed on certain vessels operated by the United States.

Public Law 213, approved August 7, 1953, extending from January 1, 1954, to January 1, 1955, the exemption from income taxes of certain combat pay of members of the Armed Forces of the United States.

Public Law 219, approved August 7, 1953, providing a retirement system for judges of the Tax Court of the United States.

Public Law 274, approved August 14, 1953, specifically authorizing the abatement of income, estate, and gift tax jeopardy assessments upon determination that jeopardy does not exist.

Public Law 283, approved August 15, 1953, providing, under certain circumstances, for a monthly, instead of a quarterly, drawback of alcohol tax upon certain nonbeverage products.

Public Law 287 (Technical Changes Act of 1953), approved August 15, 1953, providing extensions of time for taking various actions and extending certain other provisions. These extensions include the provision relating to recognition of gain in certain "one-month" complete corporate liquidations, the time for making election with respect to adjustments for excessive depreciation allowed for periods before 1952, the time for making election with respect to war loss recoveries, the provision relating to abatement of income taxes of members of the Armed Forces upon death, the temporary provisions relating to life-insurance companies, and the provision exempting from additional estate tax the estates of certain members of the Armed Forces who die as a result of service in a combat zone. Public Law 287

made several miscellaneous amendments to the Internal Revenue Code, including amendments relating to such matters as the deduction of certain unpaid expenses and interest, the basis of trust property transmitted at death, earned income from sources without the United States, net operating loss carryovers for corporations, an amortization deduction for grain storage facilities, and mitigation of the effect of the statute of limitations in certain cases.

Public Law 324 (Excise Tax Reduction Act of 1954), approved March 31, 1954, reducing, effective April 1, 1954, the rates of most of the ad valorem excise taxes on commodities and services which had been in excess of 10 percent to a rate of 10 percent; extending for an additional year certain excise tax rates which were scheduled to be reduced on April 1, 1954; providing floor stocks refunds on specified electric, gas and oil household appliances, and upon electric light bulbs; and containing several other amendments relating to excise taxes.

### PREPARATION FOR OTHER LEGISLATION

In addition to providing technical assistance to other offices of the Treasury Department and to the Tax Committees of the Congress in connection with the legislative acts which were completed during the year, the principal ones of which are listed above, the Revenue Service also furnished such assistance in connection with certain other extremely important legislative programs, including:

*Internal Revenue Code of 1954.*—Throughout the year, a high percentage of the technical and operating personnel of the National Office participated in the necessary work leading to the enactment of the Internal Revenue Code of 1954, which took place shortly after the close of the fiscal year (approved August 16, 1954). The new Code provided a complete rearrangement of the tax laws, modernization of many old provisions, clarification of certain provisions, plus numerous substantive additions. It constituted the first complete revision of the tax laws since the enactment of the income tax.

*Social Security Amendments of 1954.*—Similarly, the Service was called on for technical advice in the drafting of the Social Security Amendments of 1954 which were also approved not long after the close of the fiscal year (approved September 1, 1954). This act extended the employment and self-employment taxes under the old-age and survivors insurance program to several millions of additional taxpayers.

*Other Acts.*—Further technical assistance was provided in connection with the Railroad Retirement Act amendments of 1954 (approved August 31, 1954) and the Federal unemployment tax amendments (approved September 1, 1954).

### ADMINISTRATIVE AND INTERNAL CONTROL FUNCTIONS

#### PERSONNEL

The number of employees on the rolls of the Revenue Service declined from 53,463 on June 30, 1953, to 51,411 on June 30, 1954. In the National Office, the number declined from 3,834 to 2,707 as the result of extensive decentralization of operational activities formerly conducted in Washington. In the regional and district offices, the number of permanent personnel

remained about the same, 48,641 on June 30, 1954, compared with 48,620 on June 30, 1953. In accordance with new policies, extensive shifts were made from the ranks of collection officers and office auditors to the force of revenue agents. As a result of these changes and the diversion of funds from various servicewide economies, it was possible to increase the number of revenue agents from 7,617 to 10,605. It is the policy of the Service to augment this force considerably in order to strengthen enforcement.

A comparison of the number of employees in various categories at the end of the fiscal year with the corresponding date of the preceding year follows:

*Personnel on rolls, June 30, 1953 and 1954*

Branch of service	Number on payroll as of June 30—	
	1953	1954
National Office.....	3,834	2,707
Regional and district offices: Supervisory personnel.....	514	470
<b>Enforcement personnel:</b>		
Collection officers.....	9,087	6,877
Office auditors.....	3,064	2,430
Returns examiners.....	1,002	1,141
Revenue agents.....	7,617	10,605
Special agents (tax fraud).....	1,200	1,277
Alcohol tax inspectors.....	581	473
Alcohol tax investigators.....	832	824
Storekeeper-gaugers.....	1,294	1,208
<b>Total enforcement personnel.....</b>	<b>24,627</b>	<b>24,855</b>
<b>Other permanent personnel:</b>		
Legal.....	271	270
Other technical.....	2,786	2,387
Clerical (excluding temporary), messengers, and laborers.....	20,422	20,679
<b>Total, other permanent personnel.....</b>	<b>23,479</b>	<b>23,336</b>
<b>Total, permanent personnel, regional and district offices.....</b>	<b>48,620</b>	<b>48,641</b>
Temporary employees.....	1,009	63
<b>Grand total.....</b>	<b>53,463</b>	<b>61,411</b>

### TRAINING

*Advanced Training Center.*—Training of graduate college level was added during the year to the general training program of the Revenue Service. This was accomplished by establishing the Advanced Training Center under contract with the School of Business Administration, University of Michigan, Ann Arbor, Michigan. The contract was awarded after soliciting proposals from all qualified institutions of higher learning in the United States. The first classes were opened in September and consisted of 100 revenue agents selected, on a merit basis, from all of the regions. The Center was founded with the understanding that the number of students from the Revenue Service would be increased substantially and that courses would be developed for other categories besides revenue agents.

*Other training activities.*—The many inservice training courses in income tax law, accounting, and other subjects relating to revenue work were continued and expanded. Added courses were provided in the management development program, which is designed to prepare individuals for administrative and executive responsibilities.

### RECORDS MANAGEMENT

Because of the paperwork resulting from the volume of tax returns and other documents being filed annually and the millions of records created in the processing and examination of these returns, a records management program was established to cope with the problems.

Special studies resulted in improvements in the maintenance of tax ruling files, the design and use of forms, and the handling and answering of correspondence from taxpayers. A correspondence project, carried out in one district office on an experimental basis, was found to reduce the cost of preparation and to speed up replies to taxpayers' questions so successfully that it was prescribed for the other district offices.

Records disposition activities under disposition schedules approved by the Congress resulted in the disposal or transfer to Federal Records Centers of 235,771 cubic feet of records. A comprehensive disposition schedule containing records retention and disposal authority for all records of the National Office was approved by Congress; similar disposition schedules for all alcohol and tobacco tax and audit records in field offices were developed and forwarded to Congress for approval.

### COST OF ADMINISTRATION

*General.*—During the year, the obligations incurred by the Revenue Service from appropriated funds totaled \$268,969,107 compared with \$268,590,806 in the preceding year.

An analysis of these obligations, by classes of expenditure, follows:

*Obligations incurred by the Internal Revenue Service, fiscal year 1954, by activity and by class of expenditure*

[Figures in thousands]

Activity	Salaries	Other	Total
Technical.....	\$3,901	\$53	\$3,954
Collections.....	55,784	10,279	66,063
Audit <sup>1</sup> .....	122,841	6,998	129,839
Intelligence.....	9,965	881	10,846
Alcohol and tobacco tax.....	18,477	2,006	20,483
Appellate.....	7,790	320	8,110
Legal service.....	5,825	449	6,274
Inspection.....	2,970	555	3,525
Statistical reporting.....	1,491	100	1,590
Executive direction.....	2,323	116	2,439
Supervision and administration (proratable).....	9,737	6,110	15,847
<b>Total.....</b>	<b>241,103</b>	<b>27,866</b>	<b>268,969</b>

<sup>1</sup> Includes delinquent accounts and returns work.

*Rewards to informers.*—The appropriations for the Revenue Service authorize payment of rewards to informers, qualifying under section 3792 of the Internal Revenue Code of 1939. Under this authority, rewards are paid to individuals who submit specific information actually leading to the detection of violations of the internal revenue laws and resulting in the assessment and collection of taxes in such instances.

A table showing the receipt and disposition of claims for such rewards during the fiscal years 1953 and 1954 follows:

## Receipt and disposition of claims for informers' rewards, fiscal years 1953 and 1954

Status	Number of claims	
	Fiscal year 1953	Fiscal year 1954
Pending, beginning of period.....	5,975	14,427
Received.....	2,691	4,555
Dispositions, total.....	2,906	2,580
Rejected.....	2,297	2,096
Allowed:		
Number.....	609	484
Amount.....	\$649,999	\$533,305
Pending, end of year.....	15,760	6,402

<sup>1</sup> Discrepancy in closing 1953 and opening 1954 figures due to eliminating from inventory cases where it appeared claim would be, but had not yet been, filed.

## ENROLLMENT OF PRACTITIONERS

The Office of Director of Practice was established in the Internal Revenue Service, on January 9, 1953, by order of the Secretary of the Treasury to take over the functions formerly performed by the Treasury Department's Committee on Practice.

The work is under the supervision of the Commissioner of Internal Revenue. However, decisions of the Director in individual cases relating to enrollment, disbarment, or disciplinary measures are not subject to change by the Commissioner, but may be appealed to the Secretary of the Treasury.

The Office of Director of Practice receives and acts upon applications of attorneys and agents for admission to practice before the Treasury Department. It makes inquiries, holds hearings and in general acts as the administrative and advisory agency in all matters pertaining to practice; and performs other duties prescribed by Department Circular No. 230.

The results of the work of the office during 1954 as regards enrollment applications and cases involving charges against enrollees are set forth in the following table:

## Disposition of enrollment and disbarment cases, fiscal year 1954

Status	Number
General enrollment—attorneys and agents:	
Applications for enrollment approved.....	4,839
Applications for enrollment disapproved.....	33
Applications withdrawn on advice of the Director.....	192
Applications abandoned.....	39
Special enrollment to practice before the Internal Revenue Service:	
Applications approved by reason of examination.....	2
Applications approved pursuant to standards and procedures based upon former service with the Treasury Department. (Sec. 12, Department Circular No. 230, Revised).....	125
Applications approved by reason of having passed CPA examination though CPA certificates not issued.....	21
Applications of former employees denied.....	9
Applications withdrawn.....	32
Applications abandoned.....	101
Renewal of enrollment cases:	
Applications for renewal approved.....	1,506
Applications for renewal disapproved.....	32
Applications for renewal withdrawn.....	59
Applications for renewal abandoned.....	2
Disbarment cases:	
Disbarments.....	3
Resignations accepted.....	10
Resignations accepted with prejudice.....	2
Reprimands issued.....	9
Suspensions.....	1
Formal complaints pending against enrolled persons.....	52
Closed without action.....	9

## INTERNAL AUDIT AND SECURITY

*Internal audit.*—The Internal Audit Division, operating under the Assistant Commissioner (Inspection), furnishes the Commissioner of Internal Revenue and other key national, regional, and district officials with an independent appraisal of just how efficiently and effectively all service activities, at all organizational levels, are being carried out. The internal audit activities performed are in compliance with the legal requirements of section 113 of the Budget and Accounting Procedures Act of 1950 (Public Law 784, 81st Cong.). Specifically, the basic objectives of internal audit are to determine that: All activities are being conducted in accordance with law and Service policy, activities are being conducted efficiently and effectively and continue to serve their intended purpose; expenditures are made only in the furtherance of authorized activities, and comply with applicable laws and regulations; all revenue and receipts arising from Service activities are collected and properly accounted for; all assets of the Service or in its custody are adequately safeguarded, controlled, and utilized in an efficient manner; and both internal and external reports are accurate, meaningful, and useful.

Statistics covering the internal audit activity of the nine regional inspection offices for the fiscal year 1954 are as follows:

## Internal audits, started and completed, fiscal year 1954

Activity	In process June 30, 1953	Started	Completed	In process June 30, 1954
Regional counsels' offices.....				
Regional commissioners' offices:		6	4	2
Collection.....		5	2	3
Audit.....		5	3	2
Intelligence.....		3	2	2
Alcohol and tobacco tax.....	1	8	3	5
Appellate.....		5	2	3
Administrative.....		8	7	1
Total.....	1	34	19	16
District Directors' divisions:				
Collection.....	19	56	61	14
Audit.....	12	61	60	13
Intelligence.....	5	58	51	12
Administrative.....	10	59	57	12
Alcohol and tobacco tax <sup>1</sup> .....	5		5	
Total.....	61	234	234	51
Grand total.....	62	274	257	69

<sup>1</sup> During the fiscal year 1954, these activities were transferred to the 9 regional commissioners.  
<sup>2</sup> This figure represents complete or "intensive" audits only. Closing inventory figure of 60 reflected in annual report for 1953 fiscal year included interim (or partial) audits and transfers.

In addition to the intensive internal audits initiated and completed, as reflected above, 295 interim "surprise" audits were made of branch offices of district directors' collection divisions. These interim audits covered branch offices in which cash payments are received for local deposit or for transmittal to a headquarters office. During the fiscal year, regional inspection offices also verified the accounts of 13 outgoing district directors and prepared statements of accountability for transfer to incoming district directors. Each of the nine regional inspection offices also conducted and reported on two special surveys during the fiscal year, covering the regional commissioner's

office and three district directors' offices in each region. The first of these surveys was made to determine the effectiveness with which regional and district offices were discharging their responsibilities relating to the various transfer of functions and delegations of authority from the National Office under the reorganization of the Internal Revenue Service. The other survey was aimed at determining the accuracy of regional and district office statistical reports on collection and audit activities, and at determining the factors affecting current audit production and collection warrant inventories. In addition to the two surveys just discussed, Internal Audit personnel in the National Office of Inspection conducted surveys of the National Office's Appellate and Fiscal Management Divisions.

Throughout the fiscal year the National Office has been placing emphasis on the expansion of the areas of coverage by internal audit, that is, developing audit programs covering areas previously unaudited or given comparatively little attention, and improving the audit programs in use. Continued attention was also given to audit reporting with the objective of providing reports which are clear, concise, properly documented and also of maximum value to management. Emphasis has also been given toward accelerating audit frequency with the objective of auditing each regional activity of the Revenue Service at least once each year.

*Internal security.*—The Internal Security Division, also operating under the Assistant Commissioner (Inspection), is responsible for making character and security investigations of new employees and investigating any allegations of impropriety against employees already on the rolls. The results of these activities for the fiscal years 1953 and 1954 are shown in the following table:

*Personnel investigations and disciplinary actions, fiscal years 1953 and 1954*

Item	Number of cases	
	Fiscal year 1953	Fiscal year 1954
<b>PERSONNEL INVESTIGATIONS</b>		
Number of cases closed:		
Character and security investigations.....	1,116	1,958
Conduct investigations.....	1,089	1,295
Number of cases pending, end of year:		
Character and security investigations.....	379	1,472
Conduct investigations.....	571	459
<b>DISCIPLINARY ACTIONS AGAINST EMPLOYEES AS A RESULT OF PERSONNEL INVESTIGATIONS</b>		
Separation of employee (by type of offense): <sup>1</sup>		
Bribery, extortion or collusion.....	16	11
Embezzlement or theft of Government funds or property.....	6	15
Failure of employee to pay proper tax.....	27	45
Falsification or distortion of Government reports, records, etc.....	41	53
Unauthorized outside activity.....	12	9
Failure to properly discharge duties.....	8	6
Personal misconduct unrelated to tax cases.....	38	34
Divulgence of confidential information.....	3	2
Failure to file financial statements.....	0	2
Acceptance of fees or gratuities.....	(*)	20
Other misconduct.....	0	12
Total separations <sup>1</sup> .....	162	209
Suspended from duty and pay.....	19	23
Reprimanded, warned, transferred or demoted.....	190	209
Total disciplinary actions.....	381	441

<sup>1</sup> Includes resignations and retirements while employees were under investigation or before administrative decision on disciplinary action to be taken, where the investigation disclosed derogatory information.

<sup>2</sup> This category was included under the caption "Acceptance of gratuities, bribes, etc." in the 1953 Annual Report.

### GENERAL MANAGEMENT IMPROVEMENTS AND POLICY CHANGES

The major management problems facing the Service at the beginning of the year were those relating to furthering the reorganization effected in the 2 previous years. The basic reorganization actions had been taken and decisions made. New policies had been established and the role of, and the relationships between, the National Office, regional offices, and district offices had been defined. There remained the task of following through on the reorganization actions and decisions, of carrying out new policies, of adapting operations to new management concepts, and of reshaping programs to conform to the new alignment of functions, authorities and organization. The management improvement program was to a large extent keyed to the accomplishment of this task.

Following through on the reorganization actions and decisions of the previous year resulted in a number of significant accomplishments. To the extent practicable, all operational activities carried on in the National Office were decentralized to field offices. Concurrently the organization of the National Office was reappraised. Nearly all components were reorganized to gear for the planning and programing role established for the National Office. Similarly regional and district offices reorganized to provide for activities and authorities decentralized to them and to carry out their redefined missions.

One organizational improvement embraced two major functions and extended from National Office to the district offices and then suboffices. This improvement was the clarification and realignment of collection-audit activities. It was one of the most important projects undertaken at the National Office, regional offices and district offices. All audit functions were consolidated within the audit area under centralized authority, and qualified personnel were transferred from the collection area to the audit area in a number commensurate with the work transferred. The reorganization of the district audit divisions was closely allied to this project. The benefits of these actions already had begun to be realized during the filing period early in 1954. Better utilization of manpower was achieved during this peak workload period with a resultant decrease in time heretofore diverted from productive audit work.

Management improvement actions associated with the execution of new policies, the adaptation of operations to the new management concepts and the reshaping of programs to conform to new alignment of functions, authorities, and organization, resulted in the following accomplishments: (1) the development and installation of a regional audit management program which will promote uniformity in the application of tax laws and administrative operating policies; (2) the revamping of the taxpayer assistance program to carry out new policies and objectives of continued service to the public with a minimum diversion of technical manpower from normal activities; (3) the restoration of the racketeer investigation program to a position commensurate with respect to the entire Intelligence effort resulting from the new policy of placing emphasis upon the investigation of the top racketeers of the country, instead of expending equal effort to the investigation of all racketeers, including the large number of petty gamblers (this action resulted in making a substantial number of revenue agents and special agents available for other investigative work); and (4) an increase in the publication of rulings in the Internal Revenue Bulletin. The inspection program, which provides for the independent appraisal of Service operations by personnel under the jurisdiction of the Assistant Commissioner

(Inspection), was revamped to conform to the new organizational and management concepts and to provide top management with a more effective tool with which it can achieve better supervision and increased efficiency in operations and guarantee the integrity of the Service's operating system as well as of its employees.

In the collection area two large-scale improvements were made. A new revenue accounting and reporting system was developed and its installation was begun. Related thereto was the development of a revised procedure for the maintenance of accounts receivable records and the administration of delinquent accounts and returns. The installation of these new procedures was also underway at the close of the year. In addition, several significant improvements of narrower scope were made of which the most important were: (1) the making of a destination sort of all taxpayer labels before affixing them to the income tax form packages mailed prior to the filing period, and (2) the establishment of production schedules in the processing of income tax returns. The destination sort of taxpayer labels resulted in substantial savings. The establishment of production schedules resulted in a more even distribution of workload, better utilization of personnel and an overall increase in efficiency.

As part of the functional reorganization in the National Office, additional authority was delegated to Directors of Internal Revenue, including approval of assessment lists, scheduling of those overassessments in excess of \$10,000 which do not require review by the Joint Committee on Internal Revenue Taxation, control of transferor-transferee cases, processing of receivership cases and informants' claims for rewards, classification and selection of gift tax returns for examination, and the housing of returns (except those in certain categories) for earlier years.

Expansion of a prerefund audit program is one of the more important improvements made in the audit area in addition to those related to reorganization actions. The 1953 number of prerefund audits and additional revenue resulting therefrom was more than doubled during the 1954 filing period.

Alcohol and Tobacco Tax staffs focused their efforts on modernizing the systems for collecting liquor and tobacco taxes and on simplification and reduction in the supervision of the industry. The full fruits of their efforts are still to be realized, although several significant accomplishments have already been achieved.

Appellate activities made management progress by developing ways and means to reduce backlogs and to accelerate disposition of cases.

The reduction in the processing time required in the preparation and publication of Statistics of Income to one-half of the time formerly required is the significant accomplishment in the statistical area.

Management improvement in administrative activities was concerned mainly with strengthening and building a program to provide the essential services necessary to effective management of operating functions. Accomplishments in overall administrative areas include: establishment of revised qualification standards for tax collectors and tax investigators; development of new and revised classification standards and guides; issuance of policies, guides and procedures governing adverse personnel actions and the delegation of authority for such actions; expansion of public information program; simplification of the allotment system; revision of budget processes to provide for closer integration of financial and program planning

in budget formulation and execution; installation of more effective time and attendance reporting and control procedures; establishment of records and forms management programs; installation of a system for screening printing requests to assure use of most economical methods of reproduction; space consolidation in the field resulting in release of a large amount of space and more efficient management of activities; upgrading of furniture; and the establishment of a single coordinated internal management document system.

Further progress was made during the year on plans for improved administration of payroll taxes. Essentially, these plans are based upon combined reporting of wages and taxes for income tax withholding and old-age and survivors insurance purposes. The Departments of the Treasury and of Health, Education, and Welfare have been working together in the development of these plans, looking toward recommendations for legislation.

A policy was instituted to effect final disposition of disputed issues at the earliest possible stage through maximum use of the informal conference procedure. Another policy adopted involves partial allowances of refunds or credits in cases where complete agreement has not been reached. Partial allowances are made in such instances to provide the taxpayer with earlier use of the funds and reduce the government's interest obligations.

The procedures relating to extensions of time for filing income tax returns of corporations were simplified by combining in one form the application for extension of time and a statement which is accepted in lieu of a tentative return, and by providing for the automatic granting of the extension where all requirements have been met.

A survey was made of the Services' approximately 1,400 posts-of-duty for the purpose of appraising the need for the present number and locations of these suboffices in terms of the Service's program objectives and utilization of available manpower. As the fiscal year ended, the National Office was formulating a broad policy governing realignment of suboffices.

*Appendix*

**STATISTICAL  
TABLES**

NOTE.—In tables where figures have been rounded to a specified unit, the components may not necessarily add to totals. Percentages are calculated on unrounded figures.

*Internal Revenue  
Collections*

*Tables 1-5*

TABLE 1.—Internal revenue collections by sources and by internal revenue regions, districts, States, and Territories, fiscal year 1954

[In thousands of dollars. See table 3, p. 73, for tax rates and further breakdown of national totals by sources]

Internal revenue regions and directors' districts	Corporation income and profits taxes <sup>1</sup>	Individual income and employment taxes				Total individual income and employment taxes
		Income tax not withheld <sup>2</sup>	Income tax withheld and old-age insurance	Railroad retirement <sup>3</sup>	Unemployment insurance	
(1)	(2)	(3)	(4)	(5)	(6)	
<b>Boston region</b>	<b>1, 132, 128</b>	<b>686, 805</b>	<b>1, 678, 153</b>	<b>18, 917</b>	<b>19, 613</b>	<b>2, 402, 588</b>
Augusta	49, 315	37, 739	71, 956	2, 407	1, 008	113, 110
Boston	522, 387	327, 350	859, 147	5, 865	9, 970	1, 202, 333
Burlington	23, 716	15, 279	31, 795	1, 181	388	48, 594
Hartford	428, 399	224, 089	516, 101	8, 574	5, 716	754, 481
Portsmouth	28, 050	27, 032	63, 068	29	791	90, 920
Providence	80, 262	55, 316	136, 085	11	1, 739	193, 151
<b>New York region</b>	<b>5, 278, 389</b>	<b>1, 688, 931</b>	<b>4, 768, 341</b>	<b>74, 174</b>	<b>54, 399</b>	<b>6, 486, 846</b>
Albany <sup>4</sup>	422, 626	114, 840	491, 985	3, 197	4, 020	513, 992
Brooklyn	226, 440	337, 428	561, 128	3, 362	6, 304	908, 222
Buffalo	326, 880	143, 694	386, 785	66	4, 603	534, 938
Lower Manhattan <sup>4</sup>	2, 581, 507	433, 620	1, 548, 196	6, 653	17, 374	2, 065, 744
Syracuse	153, 698	70, 538	196, 950	37	2, 282	269, 808
Upper Manhattan <sup>4</sup>	1, 587, 239	489, 010	1, 583, 347	60, 869	19, 916	2, 153, 142
<b>Philadelphia region</b>	<b>3, 055, 652</b>	<b>1, 488, 832</b>	<b>4, 161, 288</b>	<b>128, 513</b>	<b>41, 885</b>	<b>5, 820, 517</b>
Baltimore <sup>4</sup>	315, 767	270, 193	973, 272	45, 385	4, 514	1, 293, 364
Camden	93, 259	90, 095	166, 252	7	1, 873	258, 227
Newark	421, 528	294, 107	679, 991	4, 118	8, 065	988, 279
Philadelphia	666, 169	433, 859	1, 053, 569	67, 412	11, 277	1, 566, 117
Pittsburgh	726, 394	268, 129	884, 943	9, 157	10, 796	1, 164, 024
Seranton	219, 505	60, 393	228, 833	2, 435	3, 234	294, 895
Wilmington	614, 040	81, 056	174, 429	(*)	2, 126	257, 611
<b>Cincinnati region</b>	<b>2, 478, 918</b>	<b>1, 164, 760</b>	<b>3, 064, 676</b>	<b>69, 011</b>	<b>32, 333</b>	<b>4, 330, 770</b>
Cincinnati	407, 187	159, 588	403, 008	967	4, 529	568, 091
Cleveland	978, 194	275, 251	1, 031, 710	34, 315	10, 472	1, 351, 748
Columbus	88, 501	80, 911	173, 497	20	1, 784	256, 212
Toledo	227, 222	85, 548	225, 685	688	2, 678	315, 599
Indianapolis	340, 935	234, 988	629, 146	767	5, 492	870, 403
Louisville	153, 632	110, 704	174, 977	12, 074	2, 122	299, 877
Parkersburg	72, 966	66, 891	130, 841	78	1, 842	199, 153
Richmond	195, 259	150, 559	295, 812	20, 103	3, 414	469, 688
<b>Atlanta region</b>	<b>897, 529</b>	<b>783, 839</b>	<b>1, 362, 534</b>	<b>25, 164</b>	<b>18, 715</b>	<b>2, 190, 243</b>
Atlanta	135, 945	130, 120	265, 608	4, 277	3, 583	403, 588
Birmingham	106, 458	89, 151	166, 295	4, 826	2, 268	282, 539
Columbia	75, 446	60, 916	113, 445	107	1, 690	166, 157
Greensboro	260, 649	128, 774	284, 013	9, 072	4, 430	426, 290
Jackson	24, 500	46, 084	58, 652	381	897	106, 014
Jacksonville	128, 127	216, 083	255, 770	2, 412	2, 920	477, 196
Nashville	122, 404	122, 701	218, 751	4, 079	2, 928	348, 459
<b>Chicago region</b>	<b>4, 743, 831</b>	<b>1, 587, 490</b>	<b>4, 574, 430</b>	<b>95, 624</b>	<b>50, 614</b>	<b>5, 308, 158</b>
Chicago	1, 696, 235	671, 264	1, 996, 071	88, 711	22, 090	2, 778, 136
Springfield	187, 635	158, 320	247, 107	747	2, 706	408, 879
Detroit	2, 475, 916	558, 807	1, 822, 423	5, 866	19, 986	2, 407, 082
Milwaukee	414, 044	199, 099	608, 830	901	5, 833	714, 062
<b>Omaha region</b>	<b>1, 351, 169</b>	<b>1, 004, 979</b>	<b>2, 019, 307</b>	<b>123, 101</b>	<b>20, 021</b>	<b>3, 168, 009</b>
Aberdeen	10, 258	26, 717	30, 081	10	252	57, 061
Cheyenne	7, 653	20, 425	23, 686	7	201	44, 318
Denver	133, 434	107, 690	312, 141	4, 503	1, 952	426, 285
Des Moines	122, 494	165, 222	206, 859	682	2, 286	375, 030
Fargo	7, 777	26, 264	28, 888	11	238	53, 401
Kansas City	173, 579	94, 530	215, 856	3, 435	2, 482	316, 303
St. Louis	382, 009	169, 547	437, 201	33, 095	5, 117	644, 959
Omaha	63, 206	89, 919	167, 495	24, 331	1, 568	283, 313
St. Paul	314, 526	173, 000	428, 730	34, 687	4, 351	641, 748
Wichita	136, 233	131, 666	169, 971	22, 359	1, 595	325, 591
<b>Dallas region</b>	<b>972, 995</b>	<b>926, 788</b>	<b>1, 280, 768</b>	<b>29, 867</b>	<b>15, 547</b>	<b>2, 252, 970</b>
Albuquerque	12, 385	36, 490	60, 475	(*)	455	87, 419
Austin	380, 263	303, 872	405, 682	15, 141	4, 769	729, 454
Dallas	240, 012	284, 070	354, 819	12, 252	4, 408	656, 149
Little Rock	34, 898	50, 088	63, 124	138	941	114, 291
New Orleans	135, 129	134, 715	189, 521	1, 890	2, 467	328, 564
Oklahoma City	170, 317	116, 952	217, 147	476	2, 518	337, 093
<b>San Francisco region</b>	<b>1, 533, 701</b>	<b>1, 714, 165</b>	<b>3, 175, 535</b>	<b>41, 759</b>	<b>30, 755</b>	<b>4, 962, 214</b>
Boise	29, 823	32, 398	47, 691	282	525	80, 865
Helena	21, 466	41, 698	46, 121	243	396	88, 458
Honolulu	30, 991	29, 255	65, 924	215	682	98, 975
Los Angeles	882, 649	707, 179	1, 231, 137	2, 482	13, 106	2, 003, 905
San Francisco	647, 185	481, 478	972, 065	34, 765	8, 707	1, 496, 955
Phoenix	29, 958	56, 764	66, 397	62	685	123, 898
Portland	79, 456	118, 877	205, 488	2, 161	2, 195	328, 721
Reno	12, 277	25, 516	32, 455	1	299	58, 272
Salt Lake City	35, 585	31, 982	68, 377	969	636	101, 964
Seattle <sup>4</sup>	178, 332	189, 028	389, 939	609	3, 623	583, 199
<b>Total</b>	<b>21, 545, 322</b>	<b>10, 946, 578</b>	<b>26, 085, 633</b>	<b>605, 221</b>	<b>283, 882</b>	<b>37, 921, 314</b>

TOTALS FOR STATES AND TERRITORIES COMPRISING PART OF OR MORE THAN ONE DISTRICT

Alaska	3, 321	8, 764	33, 758		24	42, 547
California	1, 229, 834	1, 188, 657	2, 253, 142	37, 247	21, 813	3, 500, 860
Illinois	1, 853, 871	820, 584	2, 243, 178	89, 458	24, 796	3, 187, 015
Missouri	555, 688	264, 077	653, 057	36, 529	7, 598	901, 262
New Jersey	514, 787	384, 202	846, 243	4, 123	9, 938	1, 244, 506
New York	5, 278, 389	1, 688, 931	4, 759, 645	74, 174	54, 399	6, 476, 275
Ohio	1, 711, 104	602, 297	1, 833, 900	35, 990	19, 464	2, 491, 650
Pennsylvania	1, 611, 069	753, 381	2, 167, 345	79, 004	25, 306	3, 026, 037
Texas	620, 275	588, 542	760, 501	27, 393	9, 166	1, 385, 603
Washington	175, 011	180, 264	356, 180	609	3, 599	540, 652
Puerto Rico		874	8, 697			9, 571

Footnotes on p. 77.

TABLE 1.—Internal revenue collections by sources and by internal revenue regions, districts, States, and Territories, fiscal year 1954—Continued  
 [In thousands of dollars. See table 3, p. 73, for tax rates and further breakdown of national totals by sources]

Internal revenue regions and directors' districts	Estate tax (7)	Gift tax (8)	Alcohol taxes	
			Distilled spirits taxes	
			Excise	
			Imported (collected by Customs) (9)	Domestic (10)
<b>Boston region</b>	87,680	5,430	6,920	55,945
Augusta	3,838	301	1	18
Boston	37,809	3,196	4,811	35,828
Burlington	1,269	54	395	
Hartford	31,775	1,041	1,327	20,101
Portsmouth	2,792	379		
Providence	10,197	458	386	
<b>New York region</b>	173,486	12,180	101,914	41,830
Athany <sup>4</sup>	23,386	681		64
Brooklyn	36,805	893		1,272
Buffalo	12,138	1,092	2,454	2
Lower Manhattan <sup>4</sup>	8,397	5,163	74,612	13
Syracuse	5,117	289	24,848	
Upper Manhattan <sup>4</sup>	39,644	4,062		39,978
<b>Philadelphia region</b>	142,870	8,992	7,052	401,488
Baltimore <sup>4</sup>	22,507	1,612	3,573	148,957
Camden	7,662	198		978
Newark	23,389	1,608		63,318
Philadelphia	37,714	1,035	3,193	120,745
Pittsburgh	19,056	2,038	287	67,489
Scranton	4,014	592		1
Wilmington	28,530	1,910		
<b>Cincinnati region</b>	77,459	4,032	11,270	835,677
Cincinnati	14,829	545		84,517
Cleveland	20,158	1,108	4,786	697
Columbus	3,941	260		(*)
Toledo	5,873	432		
Indianapolis	11,322	667	6,052	262,547
Louisville	7,158	466	420	484,747
Parkersburg	4,618	185		58
Richmond	9,560	399	12	2,612
<b>Atlanta region</b>	51,906	7,100	4,226	4,019
Atlanta	6,733	434	206	
Birmingham	3,443	230	124	4
Columbia	3,600	188	179	10
Greensboro	9,691	4,817	(*)	18
Jackson	1,855	201		
Jacksonville	19,428	935	3,615	195
Nashville	7,156	296	204	3,792

<b>Chicago region</b>	99,699	13,510	58,376	222,989
Chicago	43,864	4,116	18,509	11,449
Springfield	9,683	1,474		203,472
Detroit	34,442	7,094	39,441	8,069
Milwaukee	11,710	826	426	
<b>Omaha region</b>	65,992	3,942	3,156	3,792
Aberdeen	1,016	19		
Cheyenne	1,107	252		
Denver	7,244	389	320	(*)
Dss Moines	8,255	345		131
Fargo	818	35	(*)	
Kansas City	5,835	401		578
St. Louis	14,515	864	1,696	4,734
Omaha	5,693	294		
St. Paul	10,529	1,091	1,140	1,554
Wichita	10,978	313		1,794
<b>Dallas region</b>	46,419	7,468	5,556	7,085
Albuquerque	1,206	81		
Austin	15,379	3,462	3,975	120
Dallas	13,588	2,426		
Little Rock	2,282	161		
New Orleans	7,901	721	1,580	6,965
Oklahoma City	6,063	618		(*)
<b>San Francisco region</b>	117,831	9,125	32,096	65,343
Boise	1,058	16		(*)
Helena	1,295	132		
Honolulu	1,374	92	562	14
Los Angeles	55,792	4,245	11,576	11,958
San Francisco	31,958	3,103	9,422	53,227
Phoenix	2,457	137	(*)	
Portland	4,410	243	1,072	12
Reno	7,358	53		
Salt Lake City	854	39		1
Seattle <sup>4</sup>	11,276	1,065	9,464	132
<b>Total</b>	<b>863,344</b>	<b>71,778</b>	<b>230,566</b>	<b>1,642,069</b>

TOTALS FOR STATES AND TERRITORIES COMPRISING PART OF OR MORE THAN ONE DISTRICT

Alaska	190	69	(*)	
California	87,750	7,348	20,998	65,185
Illinois	53,647	5,590	18,509	214,920
Missouri	20,350	1,265	1,696	5,313
New Jersey	31,051	1,805		64,296
New York	173,486	12,180	101,914	41,317
Ohio	44,801	2,345	4,786	85,114
Pennsylvania	60,783	3,664	3,480	188,235
Texas	28,967	5,888	3,975	120
Washington	11,085	996	9,464	132
Puerto Rico				13

Footnotes on p. 77.

TABLE 1.—Internal revenue collections by sources and by internal revenue regions, districts, States, and Territories, fiscal year 1954—Continued

[In thousands of dollars. See table 3, p. 73, for tax rates and further breakdown of national totals by sources]

Internal revenue regions and directors' districts	Alcohol taxes—Continued				
	Distilled spirits taxes—Continued				
	Rectification (11)	Stamp <sup>a</sup> (12)	Special or occupa- tional <sup>b</sup> (13)	Other <sup>c</sup> (14)	Total distilled spirits taxes (15)
<b>Boston region</b>	751	520	1,011	31	65,178
Augusta	3	2	15		39
Boston	588	331	591	(*) 15	42,162
Burlington	(*)		32	(*)	427
Hartford	160	187	247	13	22,035
Portsmouth			19	(*)	19
Providence		(*)	108	2	406
<b>New York region</b>	833	1,464	1,644	132	147,316
Albany <sup>d</sup>	32	11	333	11	451
Brooklyn	47	29	400	20	1,768
Buffalo	(*)	(*)	258	7	2,722
Lower Manhattan <sup>e</sup>	(*)	1,158	148	9	75,939
Syracuse		(*)	198	4	25,051
Upper Manhattan <sup>f</sup>	753	206	307	81	41,385
<b>Philadelphia region</b>	6,988	2,914	2,288	249	420,990
Baltimore <sup>g</sup>	8,828	1,143	324	56	157,881
Camden	49	35	197	50	1,308
Newark	219	868	470	87	64,782
Philadelphia	1,185	655	461	51	128,290
Pittsburgh	1,702	413	476	5	70,372
Scranton	6	1	326		333
Wilmington			44		45
<b>Cincinnati region</b>	11,427	6,834	1,667	77	866,352
Cincinnati	1,130	612	245	2	88,515
Cleveland	15	6	674	10	6,087
Columbus		(*)	150		151
Toledo			131		132
Indianapolis	6,171	1,904	263	8	276,044
Louisville	4,102	4,299	136	17	493,720
Parkersburg			43	6	106
Richmond		13	26	34	2,697
<b>Atlanta region</b>	3	32	637	475	9,392
Atlanta	(*)	(*)	96	54	355
Birmingham			42	44	214
Columbia		(*)	58	22	260
Greensboro			46	225	280
Jackson			72	42	114
Jacksonville	3	2	266	43	4,024
Nashville		20	57	45	4,127

<b>Chicago region</b>	4,010	1,833	3,185	94	290,487
Chicago	65	46	1,026	65	31,159
Springfield	3,785	1,802	306	13	209,078
Detroit	154	281	1,152	12	49,109
Milwaukee	7	8	701	5	1,141
<b>Omaha region</b>	114	57	1,154	67	13,339
Aberdeen			85		85
Cheyenne			38	4	42
Denver		(*)	142	7	469
Des Moines			132		263
Fargo			49	1	50
Kansas City		6	152	7	742
St. Louis	(*) 76	31	242	23	6,803
Omaha			90	10	100
St. Paul	38	21	153	11	2,917
Wichita		(*)	71	3	1,868
<b>Dallas region</b>	2	5	668	67	13,382
Albuquerque	1	1	85	2	89
Austin		2	115	10	4,222
Dallas		(*)	105	10	116
Little Rock			50	9	58
New Orleans	1	2	277	7	8,831
Oklahoma City			36	30	66
<b>San Francisco region</b>	824	478	2,943	90	101,772
Boise			33		33
Helena			100		101
Honolulu		(*)	53		633
Los Angeles	81	74	796	31	24,516
San Francisco	743	395	1,221	49	65,056
Phoenix			123	1	124
Portland	(*)	(*)	147	(*)	1,281
Reno			63	1	63
Salt Lake City			7		8
Seattle <sup>h</sup>		3	401	6	10,007
<b>Total</b>	24,951	14,132	15,207	1,232	1,928,208

TOTALS FOR STATES AND TERRITORIES COMPRISING PART OF OR MORE THAN ONE DISTRICT

Alaska			31	1	33
California				80	89,572
Illinois	824	499	2,017	77	240,237
Missouri	3,850	1,548	1,332	30	7,545
New Jersey	76	36	394	137	66,070
New York	267	703	667	132	147,209
Ohio	833	1,369	1,644	12	92,884
Pennsylvania	1,154	618	1,200	56	195,994
Texas	2,893	1,069	1,263	20	4,337
Washington		2	220	6	9,976
Puerto Rico		3	370		108
		96			

Footnotes on p. 77.

TABLE 1.—Internal revenue collections by sources and by internal revenue regions, districts, States, and Territories, fiscal year 1954—Continued

[In thousands of dollars. See table 3, p. 73, for tax rates and further breakdown of national totals by sources]

Internal revenue regions and directors' districts	Alcohol taxes—Continued							
	Wines, cordials, etc., taxes				Malt liquor taxes			
	Excise		Special or occupational <sup>1</sup>	Floor stocks tax	Total wines, cordials, etc., taxes	Excise	Special or occupational <sup>1</sup>	
Imported (collected by Customs)	Domestic	(16)						(17)
<b>Boston region</b> .....		204	1,839	74	1	2,118	17,085	262
Augusta.....	(*)		193		(*)	193		66
Boston.....		147	1,106		(*)	1,253	8,444	62
Burlington.....	(*)			74	(*)	74		13
Hertford.....		31	540		1	572	1,041	71
Portsmouth.....				(*)		(*)		45
Providence.....		26			(*)	26	7,600	6
<b>New York region</b> .....		2,447	9,199	43	2	11,691	106,070	732
Albany.....			135	1	2	138	7,638	117
Brooklyn.....			2,709	9	(*)	2,717	54,072	248
Buffalo.....		26	3,411	3		3,439	17,133	124
Lower Manhattan.....		2,421	930	13		3,364	768	36
Syracuse.....	(*)		218	(*)		218	5,400	81
Upper Manhattan.....			1,797	17	(*)	1,814	21,059	128
<b>Philadelphia region</b> .....		200	8,703	26	1	8,930	148,747	463
Baltimore.....		117	1,537	20		1,674	20,297	69
Camden.....			541	1	(*)	542	2,791	27
Newark.....			3,189	4	(*)	3,193	58,765	38
Philadelphia.....		84	3,114	4	(*)	3,198	34,582	128
Pittsburgh.....	(*)		170	(*)	(*)	171	24,685	139
Scranton.....			151			151	7,509	52
Wilmington.....								2
<b>Cincinnati region</b> .....		75	3,575	365		4,117	83,224	414
Cincinnati.....			385	9	(*)	394	16,722	28
Cleveland.....		59	291	(*)	(*)	350	19,706	19
Columbus.....			118	1	(*)	119	1,672	14
Toledo.....			288	(*)	(*)	288	3,294	8
Indianapolis.....		11		130	(*)	140	20,970	46
Louisville.....		5	1,496	(*)		1,601	18,986	87
Perkersburg.....				29		29	658	124
Richmond.....		1	1,098	196	(*)	1,295	1,316	94
<b>Atlanta region</b> .....		81	430	445		957	4,995	767
Atlanta.....		3	175	66	(*)	244	437	71
Birmingham.....	(*)			(*)	(*)	(*)		73
Calumbia.....		2	153	72		226		121
Greensboro.....			33	92		125	448	120
Jackson.....				12		12		94
Jacksonville.....		74	70	205	(*)	349	3,469	169
Nashville.....		1		(*)		2	641	120

<b>Chicago region</b> .....		479	3,565	13	2	4,059	177,120	400
Chicago.....		368	2,191	3	2	2,563	18,970	94
Springfield.....			6	(*)	(*)	6	16,313	40
Detroit.....		75	1,244	10	(*)	1,329	45,150	40
Milwaukee.....		37	125	162	(*)	162	96,687	216
<b>Omaha region</b> .....		60	1,316	60		1,436	118,329	777
Aberdeen.....			(*)	(*)	(*)	(*)		48
Cheyenne.....				(*)	(*)	(*)	149	11
Denver.....		12	232	3	(*)	246	8,696	34
Des Moines.....			100	(*)	(*)	100	582	149
Kansas City.....								21
St. Louis.....		29	582	49	(*)	631	6,346	22
Omaha.....			403	6	(*)	438	64,304	105
St. Paul.....		19		1	(*)	20	9,614	52
Wichita.....				1		20	28,637	227
<b>Dallas region</b> .....		138	687	178		1,003	40,229	107
Albuquerque.....			3	(*)	(*)	3		5
Austin.....		76	53	137	(*)	266	18,024	338
Dallas.....			250	17	(*)	267		109
Little Rock.....			104	22	(*)	126		53
New Orleans.....		62	277	1	(*)	340	21,843	95
Oklahoma City.....				1	(*)	1	362	116
<b>San Francisco region</b> .....		468	45,110	11	5	45,593	73,976	587
Boise.....				(*)	(*)	(*)	343	49
Helena.....	(*)			(*)	(*)	(*)	2,147	18
Honolulu.....		5		(*)	(*)	5	720	4
Los Angeles.....		236	5,103		3	5,342	19,132	148
San Francisco.....		199	39,264	4	2	39,460	26,804	171
Phoenix.....	(*)			(*)	(*)	(*)	1,858	8
Portland.....		11	90	(*)	(*)	101	1,918	74
Reno.....				(*)	(*)	(*)	86	8
Salt Lake City.....				(*)	(*)	(*)	1,389	47
Seattle.....		17	662	7	(*)	685	19,599	62
<b>Total</b> .....		4,162	74,527	1,214	11	79,904	759,774	5,112

TOTALS FOR STATES AND TERRITORIES COMPRISING PART OF OR MORE THAN ONE DISTRICT

Alaska.....	(*)					(*)		4
California.....		435	44,368	4	5	44,802	45,937	318
Illinois.....		368	2,196	3	2	2,568	35,283	135
Missouri.....		29	985	55	(*)	1,069	70,650	128
New Jersey.....			3,730	5	(*)	3,736	61,556	64
New York.....		2,447	9,199	43	2	11,691	106,070	732
Ohio.....		59	1,082	10	(*)	1,151	41,394	63
Pennsylvania.....		84	3,436	(*)	(*)	3,520	66,775	318
Texas.....		76	303	154	(*)	533	18,024	447
Washington.....		17	662	7	(*)	685	19,599	62
Puerto Rico.....								58

Footnotes on p. 77.

TABLE 1.—Internal revenue collections by sources and by internal revenue regions, districts, States, and Territories, fiscal year 1954—Continued

[In thousands of dollars. See table 3, p. 73, for tax rates and further breakdown of national totals by sources]

Internal revenue regions and directors' districts	Alcohol taxes—Continued			Tobacco taxes					
	Malt liquor taxes—Continued		Total alcohol taxes	Cigarettes	Cigars <sup>10</sup>	Manufactured tobacco	Other taxes <sup>11</sup>	Total tobacco taxes	
	Floor tax	Total malt liquor taxes							(23)
<b>Boston region</b>	1	17,348	84,644	(*)	934	16	85	(*)	1,036
Augusta	(*)	86	299	(*)	(*)	(*)	(*)	(*)	(*)
Boston	(*)	8,505	51,921	(*)	422	15	16	(*)	453
Burlington	(*)	13	513	(*)	(*)	(*)	(*)	(*)	(*)
Hartford	(*)	1,112	23,719	(*)	(*)	(*)	(*)	(*)	(*)
Portsmouth	(*)	45	64	(*)	226	1	70	(*)	297
Providence	(*)	7,606	8,128	(*)	274	(*)	(*)	(*)	274
<b>New York region</b>	(*)	106,803	265,810	11,521	1,448	109	5	(*)	13,083
Albany	(*)	7,755	8,344	(*)	466	(*)	(*)	(*)	466
Brooklyn	(*)	54,329	58,805	1,512	474	42	(*)	(*)	2,028
Buffalo	(*)	17,257	23,413	(*)	6	(*)	(*)	(*)	6
Lower Manhattan	(*)	804	80,107	8,803	370	21	5	(*)	9,199
Syracuse	(*)	5,481	30,750	(*)	4	39	(*)	(*)	43
Upper Manhattan	(*)	21,186	64,386	1,206	128	6	(*)	(*)	1,340
<b>Philadelphia region</b>	2	149,202	573,121	39,011	23,462	1,160	(*)	(*)	63,633
Baltimore	(*)	20,366	179,921	(*)	108	(*)	(*)	(*)	108
Camden	(*)	2,813	4,068	(*)	1,912	(*)	(*)	(*)	1,912
Newark	1	53,504	125,759	36,856	1,339	745	(*)	(*)	38,940
Philadelphia	(*)	34,710	164,197	2,154	12,351	220	(*)	(*)	14,725
Pittsburgh	1	24,824	95,367	(*)	42	2	(*)	(*)	45
Scranton	(*)	7,561	8,045	1	7,710	(*)	(*)	(*)	7,711
Wilmington	(*)	120	164	(*)	(*)	192	(*)	(*)	192
<b>Cincinnati region</b>	(*)	83,638	954,107	648,117	5,762	6,395	(*)	(*)	660,264
Cincinnati	(*)	16,746	103,654	(*)	103	33	(*)	(*)	147
Cleveland	(*)	19,725	20,162	(*)	213	10	(*)	(*)	223
Columbus	(*)	1,685	1,955	(*)	2	(*)	(*)	(*)	3
Toledo	(*)	3,302	3,721	(*)	1,551	461	(*)	(*)	2,012
Indianapolis	(*)	21,016	298,100	(*)	1,069	2	(*)	(*)	1,071
Louisville	(*)	19,073	514,294	294,158	927	2,920	(*)	(*)	297,906
Parkersburg	(*)	683	518	(*)	637	1,039	(*)	(*)	2,037
Richmond	(*)	1,410	5,402	363,958	885	2,024	(*)	(*)	356,867
<b>Atlanta region</b>	(*)	5,762	16,112	815,087	11,711	8,867	606	(*)	836,271
Atlanta	(*)	507	1,106	(*)	944	(*)	(*)	(*)	944
Birmingham	(*)	73	287	(*)	512	(*)	(*)	(*)	512
Columbia	(*)	121	515	(*)	1,511	(*)	(*)	(*)	1,511
Greensboro	(*)	568	982	815,086	113	6,814	606	(*)	822,618
Jackson	(*)	94	220	(*)	(*)	(*)	(*)	(*)	(*)
Jacksonville	(*)	3,639	8,011	1	8,473	(*)	(*)	(*)	8,474
Nashville	(*)	761	4,889	(*)	158	2,053	(*)	(*)	2,211

<b>Chicago region</b>	3	177,523	472,069	(*)	677	1,979	(*)	(*)	2,656
Chicago	2	19,066	52,788	(*)	76	1,187	(*)	(*)	1,263
Springfield	(*)	16,353	225,437	(*)	8	5	(*)	(*)	13
Detroit	1	45,200	95,638	(*)	468	771	(*)	(*)	1,239
<b>Omaha region</b>	1	96,903	98,206	(*)	125	15	(*)	(*)	141
<b>Omaha region</b>	1	119,106	133,881	(*)	67	1,628	(*)	(*)	1,695
Aberdeen	(*)	48	134	(*)	(*)	(*)	(*)	(*)	(*)
Choyenne	(*)	160	202	(*)	(*)	(*)	(*)	(*)	(*)
Denver	(*)	8,731	9,446	(*)	(*)	(*)	(*)	(*)	(*)
Des Moines	(*)	731	1,094	(*)	1	1	(*)	(*)	2
Fargo	(*)	21	71	(*)	(*)	(*)	(*)	(*)	(*)
Kansas City	(*)	8,368	7,741	(*)	39	(*)	(*)	(*)	39
St. Louis	(*)	64,410	71,650	(*)	23	1,627	(*)	(*)	1,650
Omaha	(*)	9,067	9,767	(*)	23	(*)	(*)	(*)	(*)
St. Paul	(*)	28,964	31,801	(*)	2	1	(*)	(*)	(*)
Wichita	(*)	107	1,976	(*)	(*)	(*)	(*)	(*)	3
<b>Dallas region</b>	(*)	40,950	55,335	(*)	1,172	2	(*)	(*)	1,175
Albuquerque	(*)	5	97	(*)	(*)	(*)	(*)	(*)	(*)
Austin	(*)	18,362	22,850	(*)	101	2	(*)	(*)	104
Dallas	(*)	109	492	(*)	1	(*)	(*)	(*)	1
Little Rock	(*)	58	242	(*)	(*)	(*)	(*)	(*)	(*)
New Orleans	(*)	21,939	31,110	(*)	1,070	(*)	(*)	(*)	1,070
Oklahoma City	(*)	478	545	(*)	(*)	(*)	(*)	(*)	(*)
<b>San Francisco region</b>	5	74,568	221,933	3	395	16	1	(*)	415
Boise	(*)	302	425	(*)	(*)	(*)	(*)	(*)	(*)
Helena	(*)	2,165	2,266	(*)	(*)	(*)	(*)	(*)	(*)
Honolulu	(*)	725	1,363	(*)	12	(*)	(*)	(*)	12
Los Angeles	5	19,285	49,143	(*)	327	1	(*)	(*)	329
San Francisco	1	26,975	131,491	2	55	15	1	(*)	72
Phoenix	(*)	1,865	1,989	(*)	(*)	(*)	(*)	(*)	(*)
Portland	(*)	1,992	3,324	(*)	(*)	(*)	(*)	(*)	(*)
Reno	(*)	73	137	(*)	(*)	(*)	(*)	(*)	1
Salt Lake City	(*)	1,436	1,443	(*)	(*)	(*)	(*)	(*)	(*)
Seattle	(*)	19,661	30,353	(*)	(*)	(*)	(*)	(*)	1
<b>Total</b>	13	774,900	2,783,012	1,513,740	45,613	20,173	698	(*)	1,580,229

TOTALS FOR STATES AND TERRITORIES COMPRISING PART OF OR MORE THAN ONE DISTRICT

Alaska	(*)	4	36	(*)	(*)	(*)	(*)	(*)	(*)
California	5	46,260	180,634	(*)	382	16	(*)	(*)	402
Illinois	2	35,419	278,225	(*)	84	1,192	1	(*)	1,277
Missouri	(*)	70,778	79,391	(*)	62	1,627	(*)	(*)	1,689
New Jersey	1	61,621	131,427	36,856	3,251	745	(*)	(*)	40,833
New York	(*)	106,803	265,702	11,521	1,448	109	5	(*)	13,083
Ohio	(*)	41,157	135,493	(*)	1,874	509	(*)	(*)	2,384
Pennsylvania	1	67,095	267,609	2,154	20,103	223	(*)	(*)	22,480
Texas	(*)	18,471	23,341	(*)	102	2	(*)	(*)	105
Washington	(*)	19,558	30,317	(*)	(*)	(*)	(*)	(*)	(*)
Puerto Rico	(*)	(*)	108	(*)	(*)	(*)	(*)	(*)	1

Footnotes on p. 77.

TABLE 1.—Internal revenue collections by sources and by internal revenue regions, districts, States, and Territories, fiscal year 1954—Continued

[In thousands of dollars. See table 3, p. 73, for tax rates and further breakdown of national totals by sources]

Internal revenue regions and directors' districts	Stamp taxes on documents, other instruments, and playing cards			Total stamp taxes on documents, other instruments, and playing cards (34)
	Issues and transfers of bonds of indebtedness, or capital stock, foreign insurance policies, and deeds of conveyance		Other <sup>11</sup>	
	Sales by post-masters (31)	Sales by directors (32)		
<b>Boston region</b>	1,295	2,166	(*)	3,461
Augusta	116	18		135
Boston	667	1,490	(*)	2,157
Burlington	42	44		86
Hartford	349	393	(*)	743
Portsmouth	70	31		191
Providence	51	190	(*)	241
<b>New York region</b>	1,963	33,590	215	34,968
Albany <sup>4</sup>		77	94	170
Brooklyn		370	(*)	370
Buffalo		490	103	593
Lower Manhattan <sup>4</sup>	1,063	32,319	13	33,395
Syracuse		189		189
Upper Manhattan <sup>4</sup>		145	6	161
<b>Philadelphia region</b>	2,579	4,509	4	7,082
Baltimore <sup>4</sup>	640	581	(*)	1,221
Camden		167	1	167
Newark	1,030	588	2	1,621
Philadelphia		2,349	(*)	2,349
Pittsburgh		504	(*)	1,385
Scranton	881	197		1,077
Wilmington		213		232
<b>Cincinnati region</b>	2,596	2,394	4,970	9,959
Cincinnati	1,000	588	4,965	6,553
Cleveland		813	(*)	814
Columbus		262	4	266
Toledo		123	(*)	123
Indianapolis	557	254	1	813
Louisville	302	162		464
Parkersburg	176	38		214
Richmond	590	153	(*)	713
<b>Atlanta region</b>	2,739	1,006	1	3,746
Atlanta	327	365	(*)	692
Birmingham	249	46	(*)	296
Columbia	192	40		232
Greensboro	408	80	(*)	489
Jackson	127	43		170
Jacksonville	1,069	254	(*)	1,323
Nashville	367	178	(*)	545

<b>Chicago region</b>	2,107	7,144	1,219	19,470
Chicago	841	5,375	748	6,964
Springfield		119	(*)	119
Detroit	738	1,240	1	1,978
Milwaukee	529	410	479	1,409
<b>Omaha region</b>	2,582	2,037	543	5,162
Aberdeen	87	8		95
Cheyenne	63	12		74
Denver	241	394	6	641
Fargo	527	11	(*)	538
Kansas City	76	12		88
St. Louis		420	(*)	421
Omaha	729	306	(*)	1,035
St. Paul	216	136		353
Wichita	353	575	537	1,464
<b>Dallas region</b>	2,169	2,297	8	4,474
Albuquerque	83	60		143
Austin		928	(*)	928
Dallas	1,133	901	8	2,043
Little Rock	132	50		191
New Orleans	385	169	(*)	519
Oklahoma City	436	182	(*)	553
<b>San Francisco region</b>	4,306	6,466	5	10,777
Boise	105	13		119
Helena	137	58		195
Honolulu	2	131	2	136
Los Angeles		3,373	2	3,374
San Francisco	3,265	1,445	1	4,711
Phoenix	90	162	(*)	242
Portland	268	279	(*)	548
Reno	78	46		124
Salt Lake City	41	197		147
Seattle <sup>4</sup>	320	861	(*)	1,181
<b>Total</b>	21,427	61,608	6,965	90,000

TOTALS FOR STATES AND TERRITORIES COMPRISING PART OF OR MORE THAN ONE DISTRICT

Alaska				
California				
Illinois	3,265	4,818	3	8,085
Missouri	841	5,494	748	7,083
New Jersey	729	726	1	1,456
New York	1,030	755	3	1,788
Ohio	1,963	33,590	215	34,968
Pennsylvania	1,000	1,786	4,969	7,755
Texas	881	2,960	(*)	3,841
Washington	1,133	1,827	8	2,969
Puerto Rico	320	861	(*)	1,181

Footnotes on p. 77.

TABLE 1.—Internal revenue collections by sources and by internal revenue regions, districts, States, and Territories, fiscal year 1954—Continued  
 [In thousands of dollars. See table 3, p. 73, for tax rates and further breakdown of national totals by sources]

Internal revenue regions and directors' districts	Manufacturers' excise taxes			
	Gasoline	Lubricating oils	Tires (wholly or in part of rubber) and inner tubes	Automobile and truck chassis and bodies, and parts and accessories for automobiles and motorcycles
	(35)	(36)	(37)	(38)
<b>Boston region</b>	3,809	89	1,700	4,447
Augusta				28
Boston	3,035	76		1,719
Burlington				3
Hartford	549	13	1,700	1,444
Portsmouth				18
Providence	224	(*)		1,236
<b>New York region</b>	299,826	25,571	34,344	14,323
Albany	187	(*)	55	645
Brooklyn	556		127	2,340
Buffalo	917	57	2,292	1,434
Lower Manhattan	124,249	9,893	6	6,612
Syracuse	175	1		1,312
Upper Manhattan	173,742	15,433	31,864	1,980
<b>Philadelphia region</b>	148,864	13,949	7,203	14,291
Baltimore	23,526	1,053	4,010	299
Camden		9		579
Newark	4,446	520	72	3,034
Philadelphia	52,902	3,509	2,791	5,937
Pittsburgh	67,700	8,858	329	4,318
Scranton		(*)		102
Wilmington	291			21
<b>Cincinnati region</b>	53,960	4,385	102,435	72,883
Cincinnati	506	84	1,804	3,730
Cleveland	16,096	1,664	99,512	14,895
Columbus	44	18	(*)	714
Toledo	8,246	245	1,103	21,577
Indianapolis	3,220	582	15	30,605
Louisville	24,858	1,885	(*)	597
Parkersburg	322	55	(*)	168
Richmond	669	62		597
<b>Atlanta region</b>	9,335	82	2,419	3,732
Atlanta	1,597	31		862
Birmingham	723		180	773
Columbia	(*)	(*)	(*)	49
Greensboro	19		(*)	719
Jackson	490		2,232	36
Jacksonville	4,477	1	(*)	486
Nashville	2,029	50		858
<b>Chicago region</b>	74,317	6,362	224	1,017,946
Chicago	62,391	5,794	22	82,124
Springfield	1,902	109	1	777
Detroit	6,422	267	197	965,941
Milwaukee	3,602	200	4	19,100
<b>Omaha region</b>	27,600	3,071	3,735	10,833
Aberdeen	105	2		37
Cheyenne	1,805		(*)	6
Denver	3,530	74	1,421	1,268
Des Moines	462	96	2,069	798
Fargo	1	2		42
Kansas City	2,733	1,418		997
St. Louis	2,993	220	185	3,066
Omaha	138	115		614
St. Paul	9,166	588	60	3,858
Wichita	6,667	556	(*)	246
<b>Dallas region</b>	135,371	8,468	(*)	3,127
Albuquerque	1,769			34
Austin	17,670	861		573
Dallas	16,262	908	(*)	1,677
Little Rock	1,572	221		101
New Orleans	8,997	602	(*)	365
Oklahoma City	89,100	5,893	(*)	377
<b>San Francisco region</b>	82,527	6,467	19	11,012
Boise				37
Helena	22	(*)	(*)	33
Honolulu	(*)		(*)	47
Los Angeles	48,643	3,421	7	6,452
San Francisco	31,183	2,950	12	1,945
Phoenix	(*)			50
Portland			(*)	688
Reno				2
Salt Lake City	1,853	92		78
Seattle	817	5	(*)	1,509
<b>Total</b>	<b>835,610</b>	<b>68,441</b>	<b>152,079</b>	<b>1,152,644</b>

TOTALS FOR STATES AND TERRITORIES COMPRISING PART OF OR MORE THAN ONE DISTRICT

Alaska	21	(*)		(*)
California	79,826	6,371	19	8,598
Illinois	64,293	5,894	23	32,902
Missouri	5,726	1,637	185	4,063
New Jersey	4,446	529	72	3,513
New York	299,826	25,571	34,344	14,323
Ohio	24,891	2,011	102,419	40,917
Pennsylvania	120,601	12,368	3,120	10,353
Texas	38,932	1,759	(*)	2,251
Washington	796	5	(*)	1,509
Puerto Rico				

Footnotes on p. 77.

TABLE 1.—Internal revenue collections by sources and by internal revenue regions, districts, States, and Territories, fiscal year 1954—Continued  
 [In thousands of dollars. See table 3, p. 73, for tax rates and further breakdown of national totals by sources]

Internal revenue regions and directors' districts	Manufacturers' excise taxes—Continued			
	Electric, gas, and oil appliances, mechanical refrigerators, quick-freeze units, air-conditioners, etc.	Radio and television sets, phonographs, components, etc.	Other <sup>11</sup>	Total manufacturers' excise taxes
	(39)	(40)	(41)	(42)
<b>Eastern region</b> .....	10,219	2,369	15,255	37,888
Augusta.....	11		107	146
Boston.....	2,028	1,952	4,317	13,127
Burlington.....			138	141
Hartford.....	8,179	406	9,908	22,198
Portsmouth.....	(*)		633	651
Providence.....	2	11	151	1,625
<b>New York region</b> .....	19,814	29,958	79,555	485,390
Albany <sup>1</sup> .....	336	779	621	2,623
Brooklyn.....	2,112	3,185	1,302	9,803
Buffalo.....	3,687	1,047	21,086	30,520
Lower Manhattan <sup>1</sup> .....	2,112	5,924	7,991	156,738
Syracuse.....	1,223	10,280	3,982	16,972
Upper Manhattan <sup>1</sup> .....	1,345	8,742	35,574	268,684
<b>Philadelphia region</b> .....	21,727	43,541	20,108	269,683
Baltimore <sup>1</sup> .....	429	1,567	298	31,133
Camden.....	186	19,743	2,717	23,234
Newark.....	884	3,911	5,178	18,044
Philadelphia.....	9,152	14,623	974	89,859
Pittsburgh.....	11,021	3,696	10,837	106,760
Scranton.....	4	1	73	130
Wilmington.....	50		32	393
<b>Cincinnati region</b> .....	26,119	6,294	23,738	304,896
Cincinnati.....	9,932	2,816	4,262	23,165
Cleveland.....	5,547	147	22,773	160,632
Columbus.....	637	24	222	1,559
Toledo.....	1,144	1	91	32,407
Indianapolis.....	4,951	3,292	1,011	43,676
Louisville.....	13,974	7	192	41,313
Parkersburg.....	22	7	1	574
Richmond.....	3	(*)	158	1,479
<b>Atlanta region</b> .....	5,082	2,217	1,205	24,132
Atlanta.....	278	(*)	683	3,450
Birmingham.....	113	(*)	72	1,890
Columbia.....	1	(*)	160	210
Greensboro.....	187		7	932
Jackson.....	411	(*)	3	3,173
Jacksonville.....	112		59	5,227
Nashville.....	3,991	2,157	189	9,281
<b>Chicago region</b> .....	62,499	45,151	23,445	1,229,943
Chicago.....	27,197	38,281	11,095	176,905
Springfield.....	2,766	31	3,090	8,668
Detroit.....	23,948	6,815	7,208	1,010,801
Milwaukee.....	8,587	25	2,051	38,569
<b>Omaha region</b> .....	17,344	1,385	5,637	69,605
Aberdeen.....	(*)	(*)	(*)	145
Cheyenne.....			2	1,812
Denver.....	1	2	134	6,431
Des Moines.....	2,158	911	2,196	8,679
Fargo.....				45
Kansas City.....	1,239	15	60	6,461
St. Louis.....	3,263	6	2,163	11,885
Omaha.....	60	3	16	846
St. Paul.....	8,006	447	1,043	23,169
Wichita.....	2,628	1	34	10,133
<b>Dallas region</b> .....	673	30	226	147,892
Albuquerque.....	(*)		3	1,806
Austin.....	165	(*)	74	19,333
Dallas.....	325	22	32	19,227
Little Rock.....	4	7	30	1,934
New Orleans.....	167	(*)	28	10,159
Oklahoma City.....	13	(*)	59	95,433
<b>San Francisco</b> .....	7,995	4,589	6,311	118,921
Boise.....	(*)	(*)	34	71
Helena.....			4	59
Honolulu.....			25	73
Los Angeles.....	4,785	4,555	3,740	71,904
San Francisco.....	2,622	26	2,073	40,810
Phoenix.....	4	1	7	61
Portland.....	285	5	84	1,033
Reno.....			(*)	2
Salt Lake City.....	(*)	(*)	9	2,042
Seattle <sup>1</sup> .....	300	2	335	2,067
<b>Total</b> .....	172,474	135,535	171,490	2,688,262
<b>TOTALS FOR STATES AND TERRITORIES COMPRISING PART OF OR MORE THAN ONE DISTRICT</b>				
Alaska.....				21
California.....	7,406	4,581	5,813	112,614
Illinois.....	29,963	38,312	14,185	185,673
Missouri.....	4,491	21	2,223	18,246
New Jersey.....	1,070	23,654	7,894	41,278
New York.....	10,814	29,958	79,555	485,390
Ohio.....	17,160	2,988	27,377	217,763
Pennsylvania.....	20,178	18,320	11,884	196,829
Texas.....	489	23	106	38,560
Washington.....	300	2	335	2,046
Puerto Rico.....				

Footnotes on p. 77.

TABLE 1.—Internal revenue collections by sources and by internal revenue regions, districts, States, and Territories, fiscal year, 1954—Continued

[In thousands of dollars. See table 3, p. 73, for tax rates and further breakdown of national totals by sources]

Internal revenue regions and directors' districts	Retailers' excise taxes				
	Furs	Jewelry	Luggage	Toilet goods	Total retailers' excise taxes
	(43)	(44)	(45)	(46)	(47)
<b>Boston region</b>	<b>2,841</b>	<b>13,002</b>	<b>4,632</b>	<b>5,879</b>	<b>26,255</b>
Augusta	106	630	178	262	1,176
Boston	1,774	7,822	2,909	2,223	14,727
Burlington	22	241	72	71	406
Hartford	661	2,942	831	2,813	7,247
Portsmouth	51	375	121	138	685
Providence	226	993	422	373	2,014
<b>New York region</b>	<b>10,742</b>	<b>34,588</b>	<b>19,439</b>	<b>29,154</b>	<b>93,923</b>
Albany <sup>1</sup>	457	1,923	1,127	1,475	4,982
Brooklyn	737	2,770	1,461	2,081	7,039
Buffalo	802	3,170	1,129	1,459	6,560
Lower Manhattan <sup>1</sup>	4,087	11,869	8,759	7,935	32,651
Syracuse	397	3,464	548	1,575	5,984
Upper Manhattan <sup>1</sup>	4,272	11,392	6,414	14,628	36,706
<b>Philadelphia region</b>	<b>6,295</b>	<b>28,915</b>	<b>8,071</b>	<b>9,404</b>	<b>46,684</b>
Baltimore <sup>1</sup>	1,152	5,749	2,206	2,509	11,616
Camdan	250	1,347	394	513	2,504
Newark	822	3,418	1,248	1,490	6,977
Philadelphia	1,975	6,638	2,230	2,353	13,196
Pittsburgh	796	4,954	1,487	1,967	9,204
Scranton	231	1,426	418	450	2,526
Wilmington	68	383	87	121	660
<b>Cincinnati region</b>	<b>3,293</b>	<b>23,630</b>	<b>7,072</b>	<b>10,072</b>	<b>43,962</b>
Cincinnati	531	3,424	1,195	1,790	6,939
Cleveland	891	5,216	1,541	2,130	9,778
Columbus	203	1,674	681	701	3,259
Toledo	189	1,632	497	725	3,043
Indianapolis	556	5,263	1,313	1,769	8,891
Louisville	293	2,058	551	807	3,708
Louisville	186	1,328	413	781	2,708
Parkersburg	353	8,036	882	1,364	5,635
Richmond	1,271	17,636	5,950	7,818	32,675
<b>Atlanta region</b>	<b>280</b>	<b>3,636</b>	<b>1,308</b>	<b>1,300</b>	<b>6,524</b>
Atlanta	168	2,043	606	896	3,714
Birmingham	66	1,176	379	637	2,286
Columbia	261	3,060	813	1,288	5,441
Greensboro	43	296	296	505	1,094
Jackson	118	3,383	1,494	1,780	7,273
Jacksonville	338	2,968	1,054	1,410	5,771
Nashville					
<b>Chicago region</b>	<b>6,942</b>	<b>29,952</b>	<b>13,142</b>	<b>15,522</b>	<b>65,558</b>
Chicago	3,993	15,885	8,088	7,173	35,139
Springfield	183	1,977	686	1,047	3,792
Detroit	1,949	8,837	3,275	5,584	19,895
Milwaukee	817	3,254	1,192	1,466	6,731
<b>Omaha region</b>	<b>2,426</b>	<b>17,914</b>	<b>7,874</b>	<b>9,444</b>	<b>38,758</b>
Aberdeen	50	455	105	227	818
Cheyenne	18	327	86	136	565
Denver	371	1,600	492	901	3,564
Des Moines	299	2,195	695	1,281	4,470
Fargo	93	416	106	295	911
Kansas City	377	2,398	678	1,762	5,216
St. Louis	926	3,683	3,345	1,758	9,719
Omaha	198	1,186	399	708	2,490
St. Paul	1,005	3,568	1,528	1,639	8,040
Wichita	80	1,696	440	641	2,967
<b>Dallas region</b>	<b>1,791</b>	<b>17,777</b>	<b>6,101</b>	<b>7,685</b>	<b>32,264</b>
Albuquerque	17	612	115	331	1,104
Austin	421	4,671	1,645	2,296	9,032
Dallas	683	5,702	1,474	2,132	11,046
Little Rock	91	2,945	389	527	1,902
New Orleans	267	2,742	831	1,239	5,064
Oklahoma City	217	2,104	697	1,098	4,115
<b>San Francisco region</b>	<b>3,616</b>	<b>30,242</b>	<b>8,710</b>	<b>15,685</b>	<b>58,253</b>
Boise	22	505	109	256	891
Helena	86	579	147	253	1,065
Honolulu	15	728	233	261	1,237
Los Angeles	1,468	12,066	3,556	5,927	23,015
San Francisco	1,394	9,372	2,714	4,419	17,898
Phoenix	36	1,006	238	471	1,751
Portland	151	1,728	562	1,177	3,628
Reno	30	403	85	166	683
Salt Lake City	104	975	179	302	1,760
Seattle <sup>1</sup>	301	3,451	888	1,664	6,325
<b>Total</b>	<b>39,036</b>	<b>209,256</b>	<b>79,891</b>	<b>110,149</b>	<b>438,332</b>
<b>TOTALS FOR STATES AND TERRITORIES COMPRISING PART OF OR MORE THAN ONE DISTRICT</b>					
Alaska	29	287	79	131	526
California	4,175	17,862	8,674	8,220	38,931
Illinois	1,303	6,091	4,023	3,517	14,935
Missouri	1,072	4,785	1,642	2,003	9,481
New Jersey	10,742	34,588	19,439	29,154	93,923
Pennsylvania	1,813	11,946	3,914	5,346	23,020
Texas	3,003	13,018	4,135	4,771	24,927
Washington	1,109	11,374	3,118	4,477	20,076
Puerto Rico	272	3,194	810	1,523	5,799

Footnotes on p. 77.

TABLE 1.—Internal revenue collections by sources and by internal revenue regions, districts, States, and Territories, fiscal year 1954—Continued

[In thousands of dollars. See table 3, p. 73, for tax rates and further breakdown of national totals by sources]

Internal revenue regions and directors' districts	Miscellaneous excise taxes				
	Sugar	Long-distance telephone, telegraph, cable, radio, etc.	Leased wires	Local telephone service	Transportation of oil by pipeline
	(48)	(49)	(50)	(51)	(52)
<b>Boston region</b>	2,335	28,547	749	20,326	1
Angusta		127	4	74	(*)
Boston	2,335	23,143	519	15,715	1
Burlington		103	32	51	
Hartford		5,121	170	4,457	(*)
Portsmouth		51	4	28	
Providence		1	19	1	
<b>New York region</b>	27,927	57,503	10,039	46,830	1,224
Albany <sup>4</sup>	(*)	700	79	568	4
Brooklyn		24	65	6	34
Buffalo		1,874	43	2,010	454
Lower Manhattan <sup>4</sup>	25,029	54,474	9,759	43,962	
Syracuse		428	26	274	
Upper Manhattan <sup>4</sup>	1,266	3	67	8	733
<b>Philadelphia region</b>	4,291	48,512	2,656	50,464	3,304
Baltimore <sup>4</sup>		8,336	857	9,270	2
Camden		12	5	7	3
Newark		15,850	277	15,382	
Philadelphia	4,291	22,267	1,097	24,426	1,168
Pittsburgh		1,589	203	1,084	2,132
Scranton		456	217	296	
Wilmington		2	2		
<b>Cincinnati region</b>	111	40,711	1,342	36,006	2,138
Cincinnati		2,706	162	3,448	
Cleveland		14,482	731	16,327	452
Columbus		1,171	34	1,364	(*)
Toledo	37	1,464	13	1,407	1,059
Indianapolis	74	7,787	223	8,209	176
Louisville		893	28	1,141	40
Parkerburg		3,995	84	1,230	411
Richmond		8,213	66	2,879	(*)
<b>Atlanta region</b>	3,583	46,263	1,238	36,754	863
Atlanta	3,538	39,085	1,033	32,912	856
Birmingham		515	7	222	1
Columbia		598		308	
Greensboro		2,872	4	1,465	(*)
Jackson		60	(*)	13	6
Jacksonville	45	2,324	135	1,196	(*)
Nashville		810	59	633	
<b>Chicago region</b>	1,079	45,853	2,627	51,040	1,279
Chicago	24	21,362	1,696	26,933	825
Springfield		2,163	35	2,041	6
Detroit		15,746	643	14,535	482
Milwaukee	933	6,582	254	7,531	17
<b>Omaha region</b>	8,906	70,484	2,362	65,941	3,550
Aberdeen		132	2	119	
Cheyenne		28		10	46
Denver		12,289	426	11,092	5
Des Moines	8,742	1,126	23	1,170	
Fargo		92		84	
Kansas City		401	9	349	1,882
Omaha	126	33,960	1,460	36,408	(*)
St. Paul		15,447	414	15,032	1
Wichita		964	24	892	2
<b>Dallas region</b>	38	1,055	5	786	1,014
Albuquerque	12,494	5,244	194	2,850	15,519
Austin		90	7	40	39
Dallas	2,711	514	25	251	5,176
Little Rock		3,901	77	2,221	2,330
New Orleans		285	26	157	66
Oklahoma City	9,733	189	19	51	2,732
<b>San Francisco region</b>	13,159	45,776	2,409	49,261	5,176
Boise	64	71	5	39	2,227
Helena		126		74	
Honolulu	10	484	36	1,116	3
Los Angeles		5,965	332	4,463	790
San Francisco	9,900	36,367	1,774	41,605	936
Phoenix		69	8	23	
Portland		497	8	267	
Reno		419	3	126	
Salt Lake City	3,185	77	1	24	495
Seattle <sup>4</sup>		1,728	243	1,431	3
<b>Total</b>	<b>73,885</b>	<b>388,393</b>	<b>23,616</b>	<b>359,473</b>	<b>30,106</b>
TOTALS FOR STATES AND TERRITORIES COMPRISING PART OF OR MORE THAN ONE DISTRICT					
Alaska		249	1	164	
California	9,900	42,331	2,105	46,158	1,725
Illinois	24	23,525	1,730	28,975	831
Missouri	126	39,361	1,468	38,757	1,883
New Jersey		16,862	282	15,389	3
New York	26,077	57,503	10,039	46,830	1,224
Ohio	37	19,822	946	22,546	1,511
Pennsylvania	4,291	24,312	1,516	25,806	3,300
Texas	2,711	4,415	101	2,471	7,565
Washington		1,474	241	1,267	3
Puerto Rico	1,860				

Footnotes on p. 77.

TABLE 1.—Internal revenue collections by sources and by internal revenue regions, districts, States, and Territories, fiscal year 1954—Continued  
 [In thousands of dollars. See table 3, p. 73, for tax rates and further breakdown of national totals by sources]

Internal revenue regions and directors' districts	Miscellaneous excise taxes—Continued					
	Transportation of persons	Transportation of property	Leases of safe deposit boxes	Club dues and initiation fees	Bowling alleys, pool tables, etc.	Coin-operated amusement and gaming devices
	(53)	(54)	(55)	(58)	(57)	(58)
<b>Boston region</b>	16,557	13,766	645	1,861	244	371
Augusta	695	933	42	54	31	34
Boston	3,493	5,978	356	785	126	177
Burlington	171	683	16	23	12	15
Hartford	6,022	5,418	150	784	43	88
Portsmouth	72	358	28	45	14	27
Providence	104	396	53	170	18	80
<b>New York region</b>	57,438	56,813	1,443	5,177	275	623
Albany	228	2,887	178	1,061	31	103
Brooklyn	140	2,182	233	877	70	131
Buffalo	111	2,058	137	572	54	81
Lower Manhattan	1,734	15,483	673	658	19	152
Syracuse	320	1,357	79	216	46	90
Upper Manhattan	54,905	32,846	143	1,803	54	67
<b>Philadelphia region</b>	35,055	61,657	1,258	4,069	353	2,150
Baltimore	12,533	17,080	167	889	65	1,298
Camden	235	963	84	242	24	151
Newark	2,031	4,940	292	834	67	134
Philadelphia	19,149	28,030	335	1,141	72	233
Pittsburgh	678	7,297	279	639	84	197
Scranton	254	2,897	76	185	33	121
Wilmingon	125	451	24	139	7	14
<b>Cincinnati region</b>	13,172	47,365	1,245	3,632	444	1,213
Cincinnati	869	1,741	156	466	37	75
Cleveland	4,952	17,808	226	1,020	97	191
Columbus	117	1,401	61	240	30	50
Toledo	205	2,217	70	217	28	68
Indianapolis	3,938	6,657	498	530	85	129
Louisville	793	4,526	78	467	54	281
Parkersburg	3,068	2,296	52	137	58	315
Richmond	3,068	10,719	104	615	61	94
<b>Atlanta region</b>	17,171	21,440	519	2,401	319	1,242
Atlanta	5,936	3,087	68	405	52	528
Birmingham	947	4,106	48	301	36	39
Columbia	102	635	47	121	28	128
Greensboro	2,984	6,468	68	424	75	81
Jackson	49	725	65	98	30	112
Jacksonville	6,231	2,785	151	683	52	133
Nashville	1,022	3,666	73	371	47	221
<b>Chicago region</b>	38,403	78,150	1,295	4,604	568	1,784
Chicago	35,006	51,817	632	2,420	154	672
Springfield	139	2,326	147	274	75	615
Detroit	2,966	20,067	339	1,510	189	226
Milwaukee	272	3,940	187	400	91	271
<b>Omaha region</b>	37,432	56,275	992	2,548	450	915
Aberdeen	82	596	31	12	28	59
Chayenna	48	288	15	19	9	31
Denver	894	4,661	86	320	37	63
Dee Moines	46	2,891	178	282	85	85
Fargo	18	249	23	13	21	34
Kansas City	16,007	3,510	127	276	46	130
St. Louis	3,091	14,671	156	638	58	172
Omaha	5,051	7,478	95	161	50	45
St. Paul	9,490	15,394	170	526	64	129
Wichita	3,704	6,538	112	300	52	167
<b>Dallas region</b>	14,503	24,126	507	3,131	267	1,060
Albuquerque	173	356	23	97	17	37
Austin	2,045	8,319	147	983	81	139
Dallas	10,007	9,988	146	1,142	48	95
Little Rock	162	655	44	120	40	96
New Orleans	1,611	2,669	62	377	28	660
Oklahoma City	506	2,138	84	462	54	112
<b>San Francisco region</b>	22,450	36,926	1,414	4,555	366	5,259
Boise	39	618	30	41	14	947
Helena	135	633	37	37	13	70
Honolulu	888	330	13	89	21	25
Los Angeles	6,062	8,488	303	1,882	107	239
San Francisco	12,270	17,848	627	1,363	92	387
Phoenix	73	389	32	222	15	58
Portland	383	3,455	128	370	30	232
Rano	152	117	14	5	4	2,563
Salt Lake City	73	652	29	126	19	62
Seattle	2,374	4,396	201	531	51	666
<b>Total</b>	<b>246,180</b>	<b>395,519</b>	<b>9,318</b>	<b>31,978</b>	<b>3,227</b>	<b>14,616</b>
<b>TOTALS FOR STATES AND TERRITORIES COMPRISING PART OF OR MORE THAN ONE DISTRICT</b>						
Alaska	383	356	6	1	5	66
California	18,332	26,336	936	3,136	199	616
Illinois	35,145	54,143	779	2,694	239	1,287
Missouri	18,098	18,180	282	914	104	302
New Jersey	2,266	5,903	376	1,076	91	286
New York	57,438	56,813	1,443	5,177	275	623
Ohio	5,542	23,167	513	1,943	191	394
Pennsylvania	20,061	38,224	680	1,965	190	552
Texas	12,051	18,307	294	2,676	129	235
Washington	1,991	4,041	195	530	45	620
Puerto Rico						

Footnotes on p. 77.

TABLE 1.—Internal revenue collections by sources and by internal revenue regions, districts, States, and Territories, fiscal year 1954—Continued  
 [In thousands of dollars. See table 3, p. 73, for tax rates and further breakdown of national totals by sources]

Internal revenue regions and directors' districts	Miscellaneous excise taxes—Continued				
	Admissions— Theaters, con- certs, athletic contests, etc. <sup>1</sup>	Admissions—Roof gardens, caba- rets, etc.	Narcotics, includ- ing marihuana and special taxes <sup>1</sup>	Coconut and other vegetable oils processed <sup>1</sup>	Diesel fuel
	(59)	(60)	(61)	(62)	(63)
<b>Boston region</b> .....					
Augusta.....	14,471	2,139	38	49	306
Boston.....	901	163	2		25
Burlington.....	9,308	1,427	22	41	178
Hartford.....	413	17	1		11
Portsmouth.....	2,048	328	8	8	84
Providence.....	846	18	2		4
<b>New York region</b> .....				(*)	
Albany <sup>1</sup> .....	60,107	6,457	210	1,605	3,845
Brooklyn.....	4,521	680	73	1	81
Buffalo.....	6,775	732	62	13	50
Lower Manhattan <sup>1</sup> .....	2,404	692	11	147	266
Syracuse.....	1,365	674	5	30	1,299
Upper Manhattan <sup>1</sup> .....	1,767	276	5	3	54
<b>Philadelphia region</b> .....					
Baltimore <sup>1</sup> .....	43,275	3,404	54	1,411	2,094
Baltimore.....	25,502	4,012	194	3,677	1,244
Camden.....	7,349	1,084	14	4	177
Newark.....	3,011	872	5		25
Philadelphia.....	2,845	718	108	3,124	244
Pittsburgh.....	6,289	593	42	48	302
Scranton.....	3,731	593	10	3	448
Wilmington.....	1,785	118	4		38
<b>Cincinnati region</b> .....					
Cincinnati.....	493	34	1	397	10
Cincinnati.....	24,321	2,546	122	7,524	1,685
Cleveland.....	2,708	296	9	6,179	83
Columbus.....	5,148	928	12	1,177	366
Toledo.....	1,788	222	4	161	74
Indianapolis.....	1,095	329	4	(*)	149
Louisville.....	5,133	251	67	4	148
Parkersburg.....	2,409	382	9	2	649
Richmond.....	1,855	76	4		60
<b>Atlanta region</b> .....					
Atlanta.....	4,125	61	14		166
Atlanta.....	27,858	2,777	58	77	819
Birmingham.....	7,392	247	9	7	70
Columbia.....	2,220	304	6		48
Greensboro.....	1,777	37	6		36
Jackson.....	4,176	69	9	2	210
Jacksonville.....	1,301	43	4		60
Nashville.....	6,760	2,028	13	(*)	324
Nashville.....	4,241	148	11	69	71

<b>Chicago region</b> .....					
Chicago.....	31,665	5,205	79	815	1,216
Springfield.....	13,817	2,408	23	798	671
Detroit.....	3,093	531	8		246
Milwaukee.....	9,873	1,832	29	6	135
<b>Omaha region</b> .....					
Omaha.....	4,882	435	9	11	165
Omaha.....	24,338	3,543	80	307	1,408
Aberdeen.....	936	70	2		29
Denver.....	503	79	1		211
Des Moines.....	3,710	625	6		338
Fargo.....	3,694	149	8	13	261
Kansas City.....	583	33	2		44
St. Louis.....	2,930	1,221	6	1	89
Omaha.....	2,956	381	38	188	127
St. Paul.....	1,565	182	5	97	154
Wichita.....	4,910	650	8	9	243
<b>Dallas region</b> .....					
Dallas.....	2,550	153	6		172
Albuquerque.....	24,693	2,087	69	442	2,803
Austin.....	939	164	3		679
Dallas.....	5,168	624	20	(*)	133
Little Rock.....	9,822	520	24		850
New Orleans.....	1,231	52	5		45
Oklahoma City.....	4,131	629	10	442	59
<b>San Francisco region</b> .....					
San Francisco.....	3,403	96	7		1,337
Boise.....	35,998	3,546	87	1,871	5,520
Helena.....	938	154	2		75
Honolulu.....	1,001	131	3		127
Los Angeles.....	1,329	561	2		14
San Francisco.....	16,041	3,458	36	581	1,279
Phoenix.....	9,456	2,317	20	1,259	2,193
Portland.....	1,231	333	2		161
Reno.....	2,410	517	5	31	272
Salt Lake City.....	473	1,426	4		211
Seattle <sup>1</sup> .....	1,546	88	3		969
Seattle <sup>1</sup> .....	4,572	560	12	1	218
<b>Total</b> .....	<b>271,952</b>	<b>38,312</b>	<b>916</b>	<b>16,266</b>	<b>19,056</b>

TOTALS FOR STATES AND TERRITORIES COMPRISING PART OF OR MORE THAN ONE DISTRICT

Alaska.....	512	158	(*)		4
California.....	25,497	5,775	66	1,839	3,472
Illinois.....	16,918	2,939	31	798	916
Missouri.....	5,885	1,603	44	189	216
New Jersey.....	5,855	1,690	113	3,124	268
New York.....	60,107	6,457	210	1,605	3,845
Ohio.....	10,740	1,776	29	7,517	672
Pennsylvania.....	11,805	1,804	56	52	788
Texas.....	14,989	1,145	45		683
Washington.....	4,060	408	11	(*)	214
Puerto Rico.....				1	

Footnotes on p. 77.

TABLE 1.—Internal revenue collections by sources and by internal revenue regions, districts, States, and Territories, fiscal year 1954—Continued

[In thousands of dollars. See table 3, p. 73, for tax rates and further breakdown of national totals by sources]

Internal revenue regions and directors' districts	Miscellaneous excise taxes—Continued				Grand total, all internal revenue taxes <sup>17</sup>
	Wagering—occupational	Wagering—Excise	Other	Total miscellaneous excise taxes	
	(64)	(65)	(66)	(67)	
<b>Boston region</b> .....	31	92	48	96,877	3,877,687
Augusta.....	(*)	(*)	2	3,689	171,409
Boston.....	20	63	3	63,689	1,911,799
Burlington.....			1	1,548	76,327
Hartford.....	6	13	24	24,773	1,294,672
Portsmouth.....	2	9	17	1,524	125,438
Providence.....	3	7	(*)	1,954	298,041
<b>New York region</b> .....	34	98	331	337,977	13,130,953
Albany <sup>4</sup> .....	2	4	66	12,896	1,086,167
Brooklyn.....	20	50	146	11,570	1,261,978
Buffalo.....	2	5	1	10,504	946,649
Lower Manhattan <sup>4</sup> .....	2	5	75	155,850	5,066,800
Syracuse.....	3	28	33	5,006	487,856
Upper Manhattan <sup>4</sup> .....	6	4	9	142,151	4,327,805
<b>Philadelphia region</b> .....	84	247	457	249,075	10,243,321
Baltimore <sup>4</sup> .....	4	22	64	59,296	1,916,563
Camden.....	5	1	87	5,730	397,861
Newark.....	2	9	13	46,870	1,672,015
Philadelphia.....	28	52	200	109,763	2,665,154
Pittsburgh.....	19	86	87	19,161	2,142,434
Scranton.....	22	23	1	6,527	544,103
Wilmington.....	2	54	5	1,760	905,493
<b>Cincinnati region</b> .....	169	2,713	303	186,772	9,048,047
Cincinnati.....	11	8	4	18,357	1,149,467
Cleveland.....	36	418	11	84,384	2,513,201
Columbus.....	4	71	3	6,805	372,781
Toledo.....	4	81	18	8,465	693,897
Indianapolis.....	69	1,119	63	31,878	1,607,755
Louisville.....	22	527	10	14,692	1,335,529
Parkersburg.....	18	462	9	11,789	295,062
Richmond.....	6	26	185	30,403	1,075,375
<b>Atlanta region</b> .....	55	578	753	164,780	4,224,494
Atlanta.....	14	76	11	95,322	704,639
Birmingham.....	7	144	35	8,784	382,124
Columbia.....	1	8	110	3,942	254,160
Greensboro.....	19	16	(*)	18,930	1,550,830
Jackson.....	6	73	(*)	2,651	140,579
Jacksonville.....	8	198	588	23,623	679,615
Nashville.....	11	64	9	11,527	512,539

<b>Chicago region</b> .....	97	1,719	1,296	268,705	13,214,601
Chicago.....	35	1,150	1,081	161,521	4,925,932
Springfield.....	49	419	12	12,179	857,879
Detroit.....	13	148	177	69,857	6,123,943
Milwaukee.....	1	2	27	25,149	1,305,847
<b>Omaha region</b> .....	37	147	149	280,065	5,118,278
Aberdeen.....	(*)	1	1	2,101	71,647
Cheyenne.....	13	37	11	1,347	57,331
Denver.....	(*)	2	4	43,300	630,734
Des Moines.....	5	3	3	9,959	530,865
Fargo.....	2		(*)	1,201	64,346
Kansas City.....	1	14	9	26,007	542,002
St. Louis.....	5	14	86	99,535	1,237,822
Omaha.....	1	18	45	45,804	411,706
St. Paul.....	1	9	(*)	35,476	1,065,847
Wichita.....	9	49	28	17,335	505,979
<b>Dallas region</b> .....	141	1,768	143	112,040	3,633,033
Albuquerque.....	2	(*)	1	2,666	106,908
Austin.....	67	587	106	27,045	1,207,849
Dallas.....	1	8	11	40,893	985,876
Little Rock.....	22	126	7	3,139	159,039
New Orleans.....	37	973	19	24,400	544,661
Oklahoma City.....	11	74	(*)	13,897	628,701
<b>San Francisco region</b> .....	349	1,188	45	241,466	7,379,577
Boise.....	31	68	11	3,147	107,414
Helena.....	15	33	2	2,439	117,374
Honolulu.....		(*)	21	4,922	136,175
Los Angeles.....	6	31	5	50,006	2,844,263
San Francisco.....	63	16	2	138,515	2,512,700
Phoenix.....	(*)	(*)	(*)	2,617	163,110
Portland.....	15	30	(*)	8,652	490,016
Reno.....	9	400	(*)	5,925	84,830
Salt Lake City.....	43	87	1	7,480	151,294
Seattle <sup>4</sup> .....	177	522	2	17,704	832,402
<b>Totals</b> .....	1,068	8,550	3,525	1,987,399	59,919,991

TOTALS FOR STATES AND TERRITORIES COMPRISING PART OF OR MORE THAN ONE DISTRICT

Alaska.....	8	28	1	1,943	48,654
California.....	58	48	7	183,521	5,365,963
Illinois.....	84	1,569	1,063	173,700	5,784,511
Missouri.....	6	27	94	125,542	1,779,524
New Jersey.....	8	10	99	62,600	2,069,575
New York.....	34	63	331	356,128	13,169,425
Ohio.....	84	579	36	98,011	4,794,326
Pennsylvania.....	70	161	289	135,461	5,351,680
Texas.....	69	595	117	97,938	2,193,725
Washington.....	169	464	1	15,761	783,748
Puerto Rico.....				1,850	11,528

Footnotes on p. 77.

TABLE 2.—Internal revenue collections by sources and by months, fiscal year 1954

[In thousands of dollars]

Sources of revenue	1953						1954					
	July (1)	August (2)	September (3)	October (4)	November (5)	December (6)	January (7)	February (8)	March (9)	April (10)	May (11)	June (12)
Corporation income and profits taxes	650,737	326,461	1,766,879	477,666	318,122	1,882,291	445,246	401,136	7,353,717	647,123	358,942	6,918,003
Individual income and employment taxes:												
Income tax not withheld	324,338	91,185	1,631,114	78,836	77,050	364,365	2,371,889	1,050,976	2,697,997	757,627	139,189	1,362,012
Income tax withheld and old-age insurance	1,792,397	4,434,183	312,661	1,933,761	4,397,601	114,999	1,114,675	5,191,642	401,828	1,686,503	4,559,319	146,063
Railroad retirement	3,091	07,509	87,694	3,222	70,097	84,736	3,651	57,235	91,159	6,601	61,762	68,465
Unemployment insurance	4,789	13,836	744	4,817	11,934	2,071	34,128	183,190	5,377	4,876	27,429	(-9,310)
Total individual income and employment taxes	2,124,615	4,606,713	2,032,213	2,020,637	4,556,682	566,172	3,524,343	6,483,044	3,196,360	2,455,607	4,787,699	1,567,230
Estate tax	81,308	59,148	63,369	95,501	54,865	61,525	59,566	81,231	73,085	89,180	72,063	72,502
Gift tax	1,542	1,083	773	739	821	1,155	5,888	4,582	46,339	7,290	1,025	542
Alcohol taxes:												
Distilled spirits:												
Excise:												
Imported (collected by Customs)	17,169	14,464	20,469	26,103	27,357	27,967	13,462	14,629	17,147	17,242	16,352	18,203
Domestic	123,709	119,942	155,184	190,907	184,534	121,324	98,744	110,575	136,211	132,348	132,626	136,965
Rectification	1,832	1,655	2,421	3,174	3,253	1,836	1,448	1,659	2,047	1,813	1,971	1,841
Stamp	1,035	997	1,264	1,671	1,543	955	929	966	1,416	1,115	1,077	1,165
Special or occupational	7,448	2,756	309	268	207	162	110	81	105	105	372	3,279
Other	251	53	71	116	73	85	87	114	61	187	92	93
Total distilled spirits taxes	151,444	139,868	179,717	222,238	216,968	162,330	114,779	123,054	156,963	152,811	152,490	160,546
Wines, Cordials, etc.:												
Excise:												
Imported (collected by Customs)	273	233	324	399	591	644	192	206	260	365	335	330
Domestic	4,209	5,014	6,660	7,242	7,355	7,395	4,892	5,683	6,874	6,139	5,903	7,162
Special or occupational	573	242	35	29	21	19	14	16	20	12	11	224
Floor stocks tax	1	1	2	1	1	(*)	1	(*)	(*)	(*)	(*)	2
Total wines, cordials, etc., taxes	5,055	5,490	7,022	7,671	7,967	8,058	5,098	5,905	7,155	6,515	6,249	7,718
Malt liquor:												
Excise:												
Special or occupational	84,670	78,343	79,208	63,979	50,692	56,043	45,682	47,384	59,726	63,243	63,693	77,111
Floor stocks tax	2,414	978	152	117	79	58	51	58	52	49	46	1,058
	2	2	2	2	1	1	1	1	1	1	1	1
Total malt liquor taxes	87,085	79,323	79,361	64,099	50,773	56,102	45,733	47,443	59,779	63,292	63,739	78,170
Total alcohol taxes	243,585	224,681	266,100	294,008	275,708	216,490	165,610	181,402	223,896	222,619	222,478	246,434
Tobacco taxes:												
Cigarettes	119,828	139,546	134,007	140,182	120,544	115,320	118,508	106,061	129,206	124,394	125,029	141,115
Cigars	3,744	3,760	4,362	4,573	4,099	3,296	3,306	3,347	3,785	3,655	3,652	4,048
Manufactured tobacco	1,594	1,763	1,852	1,903	1,561	1,407	1,554	1,558	1,748	1,768	1,709	1,756
Other	94	62	59	5	137	34	36	26	39	38	79	88
Total tobacco taxes	125,260	145,120	149,280	146,664	126,341	120,058	123,405	110,993	134,778	129,854	130,468	147,007
Stamp taxes on documents, other instruments, and playing cards:												
Issues and transfers of bonds of indebtedness, or capital stock, foreign insurance policies, and deeds of conveyance:												
Sales by postmaster	5,574			5,504			5,105				5,243	
Sales by directors	5,673	4,284	4,328	5,257	4,218	4,503	6,154	5,346	5,434	5,556	5,181	5,713
Other	416	683	653	721	584	575	635	586	694	682	472	463
Total stamp taxes on documents, other instruments, and playing cards	11,663	4,847	4,982	11,482	4,802	5,079	11,895	5,933	6,128	6,138	10,876	6,176
Manufacturers' excise taxes:												
Gasoline	88,620	75,821	296	18,932	196,310	25,548	1,482	194,976	9,828	6,795	188,519	33,492
Lubricating oils	6,535	5,965	39	2,640	17,395	5,581	384	14,626	20,630	875	16,855	(-23,083)
Tires (wholly or in part of rubber) and inner tubes	19,461	13,320	27	289	45,509	24	310	34,624	842	1,166	36,503	3
Automobile and truck chassis and bodies and parts and accessories for automobiles and motorcycles	121,287	109,956	371	9,850	321,647	7,213	3,585	266,250	7,666	6,516	297,357	756
Electric, gas, and oil appliances, mechanical refrigerators, quick freeze units, air-conditioners, etc.	18,486	14,888	141	4,616	36,065	3,815	4,543	27,263	6,371	5,934	49,913	435
Radio sets, television sets, phonographs, components, etc.	7,908	9,535	622	4,855	33,128	1,476	390	38,230	7,276	2,802	29,175	439
Other	16,935	13,863	219	3,633	43,641	419	132	47,594	2,421	2,923	38,589	812
Total manufacturers' excise taxes	273,933	243,349	1,715	44,814	693,895	44,075	10,827	623,563	53,022	27,011	657,205	12,853

Footnotes on p. 77.

TABLE 2.—Internal revenue collections by sources and by months, fiscal year 1954—Continued

Sources of revenue	1954											
	July (1)	August (2)	September (3)	October (4)	November (5)	December (6)	January (7)	February (8)	March (9)	April (10)	May (11)	June (12)
<b>Retailers' excise taxes:</b>	1,659	879	142	1,931	5,744	401	2,810	15,058	1,211	2,177	6,789	235
Furs.....	19,018	11,741	1,868	15,288	38,187	1,120	16,163	68,047	10,488	10,488	31,204	(-11)
Jewelry.....	7,789	4,877	3,474	5,474	13,997	248	17,227	24,336	3,873	11,085	11,085	(-455)
Language.....	9,996	5,964	370	8,204	13,912	536	8,147	29,486	6,563	20,733	20,733	(-1,662)
Toilet goods.....												
<b>Total retailers' excise taxes.....</b>	<b>38,412</b>	<b>23,161</b>	<b>2,691</b>	<b>28,906</b>	<b>78,821</b>	<b>2,316</b>	<b>34,857</b>	<b>133,932</b>	<b>22,741</b>	<b>69,811</b>	<b>69,811</b>	<b>(-1,994)</b>
<b>Miscellaneous excise taxes:</b>	<b>6,357</b>	<b>6,173</b>	<b>333</b>	<b>179</b>	<b>22,484</b>	<b>12</b>	<b>1,083</b>	<b>18,852</b>	<b>661</b>	<b>17,715</b>	<b>17,715</b>	<b>4</b>
Sugar.....	89,301	31,681	23,681	3,360	10,973	82,340	8,239	12,080	7,300	15,072	15,072	67,950
Long-distance telephone, telegraph, cable, radio, etc.....	2,361	2,207	1,776	346	1,294	4,778	705	1,520	4,648	2,145	2,145	2,092
Leased wires.....	37,250	31,917	17,204	2,827	8,380	81,088	1,260	8,021	83,797	7,333	7,333	75,926
Local telephone service.....	1,958	1,430	3	2,279	3,920	12,382	712	8,664	2,748	1,321	1,321	1,321
Transportation of oil by pipeline.....	26,820	24,017	2,129	2,702	57,647	12,418	1,205	8,982	14,705	4,671	4,671	1,079
Transportation of persons.....	39,469	26,134	4,018	24,156	81,855	14,326	9,313	87,912	7,783	48,686	48,686	(-3,111)
Leases of sale deposit boxes.....	3,904	296	10	1,599	845	34	1,085	1,339	1,817	1,533	1,533	147
Clubs dues and initiation fees.....	3,520	1,363	108	3,874	4,107	216	1,995	5,313	4,547	5,062	5,062	22
Bowling alleys, pool tables, etc.....	1,190	840	297	255	83	49	37	31	27	22	22	394
Coin-operated amusement and gaming devices.....	8,228	5,946	671	359	286	217	136	128	273	151	151	1,010
Admissions—Theaters, concerts, athletic contests, etc. <sup>1</sup> .....	28,362	15,444	4,572	32,437	55,073	433	17,517	40,051	3,646	18,964	18,964	(-46)
Admissions—Roof gardens, cabarets, etc.....	3,757	2,500	677	3,441	7,117	602	1,839	7,373	887	2,389	2,389	471
Narcotics including marihuana and special taxes <sup>1</sup> .....	181	44	59	62	36	64	34	46	43	41	41	259
Coconut and other vegetable oils processed <sup>1</sup> .....	1,608	1,209	(*)	2,155	2,089	102	1,967	1,946	505	4,042	4,042	4
Diesel fuel.....	1,338	1,139	114	2,008	3,208	510	1,474	3,960	794	4,377	4,377	129
Wagering—Occupational.....	1,890	1,119	88	72	45	40	106	(-39)	24	88	88	114
Wagering—Excise.....	874	699	855	740	856	782	685	631	562	670	670	680
Other (including repealed taxes).....	47	39	255	118	(-196)	279	(-366)	236	164	(-451)	(-451)	3,369
<b>Total miscellaneous excise taxes.....</b>	<b>201,803</b>	<b>151,418</b>	<b>55,939</b>	<b>82,426</b>	<b>261,949</b>	<b>198,649</b>	<b>49,224</b>	<b>260,650</b>	<b>204,447</b>	<b>68,368</b>	<b>251,747</b>	<b>150,791</b>
<b>Grand total, all internal revenue taxes<sup>1</sup>.....</b>	<b>3,752,868</b>	<b>5,785,081</b>	<b>4,384,941</b>	<b>3,202,844</b>	<b>6,372,005</b>	<b>3,097,810</b>	<b>4,430,362</b>	<b>8,286,465</b>	<b>11,298,952</b>	<b>3,575,915</b>	<b>6,562,315</b>	<b>9,119,544</b>

Footnotes on p. 77.

TABLE 3.—Internal revenue collections, fiscal years ending June 30, 1953 and 1954, by sources

[In thousands of dollars]

Sources of revenue	1953	1954
<b>Corporation income and profits taxes:</b>		
Regular <sup>1</sup> .....	21,594,251	21,545,632
Exempt organization business income tax <sup>1</sup> .....	264	690
<b>Total corporation income and profits taxes.....</b>	<b>21,594,515</b>	<b>21,546,322</b>
<b>Individual income and employment taxes:</b>		
Income tax not withheld <sup>2</sup> .....	11,603,942	10,946,578
<b>Withheld taxes:</b>		
Income tax and old-age insurance <sup>1</sup> .....	24,748,526	26,085,633
Railroad employment compensation tax, 12 percent of taxable portion of payrolls.....	628,928	605,177
Railroad employees' representative tax, 12 percent of taxable portion of payrolls.....	41	44
<b>Total withheld taxes.....</b>	<b>25,377,496</b>	<b>26,690,854</b>
Unemployment insurance (3 percent of taxable portion of payrolls).....	273,182	286,882
<b>Total individual income and employment taxes.....</b>	<b>37,254,619</b>	<b>37,921,314</b>
<b>Miscellaneous internal revenue:</b>		
Estate tax.....	784,590	863,344
Gift tax.....	106,694	71,778
<b>Alcohol taxes:</b>		
<b>Distilled spirits:</b>		
<b>Excise taxes:</b>		
Imported (collected by Customs) \$10.50 per gallon.....	204,794	230,566
Domestic, \$10.50 per gallon.....	1,640,943	1,642,069
Seizures, penalties, etc.....	989	995
Floor tax (tax-paid stocks on hand).....	26,993	282
Rectification tax, per proof gallon, 30 cents.....	26,845	24,951
Export stamps, 10 cents per cask and 5 cents per case.....	24	31
Container stamps, 1 cent per hottis, or ¼ cent if less than ½ pint. Bottled in bond.....	1,020	1,088
Bottled other than in bond.....	13,349	13,013
Stills or worms manufactured, \$22 each.....	6	9
<b>Special or occupational taxes:</b>		
Manufacturers of stills, \$55 per year.....	5	5
Rectifiers:		
Less than 500 harrels, \$110 per year.....	13	10
500 harrels or more, \$220 per year.....	24	24
Wholesale liquor dealers, \$200 per year.....	1,121	1,339
Retail dealers in liquor or medicinal spirits, \$50 per year.....	13,854	13,710
Nonbeverage manufacturers of spirits, \$25, \$50, \$100 per year.....	99	116
<b>Total distilled spirits.....</b>	<b>1,930,081</b>	<b>1,928,208</b>
<b>Wines, cordials, etc:</b>		
<b>Excise taxes:</b>		
Imported (collected by Customs).....	3,956	4,153
Domestic.....	76,579	74,527
Floor tax (tax-paid stocks on hand).....	480	11
<b>Special or occupational taxes:</b>		
Wholesale dealers in wines or in wines and malt liquors, \$200 per year.....	105	113
Retail dealers in wines or in wines and malt liquors, \$50 per year.....	1,043	1,101
<b>Total wines.....</b>	<b>82,163</b>	<b>79,904</b>
<b>Malt liquors:</b>		
Excise tax per harrel of 31 gallons, \$9.....	762,983	769,774
Floor tax (tax-paid stocks on hand).....	483	13
<b>Special or occupational taxes:</b>		
Brewers, 500 harrels or more, \$119 per year; less than 500 harrels, \$65 per year.....	37	35
Wholesale dealers in malt liquors, \$100 per year.....	1,192	1,171
Retail dealers in malt liquors, \$22 per year.....	3,986	3,907
<b>Total malt liquors.....</b>	<b>768,681</b>	<b>774,900</b>
<b>Total alcohol taxes.....</b>	<b>2,780,925</b>	<b>2,783,012</b>

Footnotes on p. 77.

TABLE 3.—Internal revenue collections, fiscal years ending June 30, 1953 and 1954, by sources—Continued

[In thousands of dollars]

Sources of revenue	1953	1954
<b>Miscellaneous internal revenue—Continued</b>		
<b>Tobacco taxes:</b>		
Large cigars classified by intended retail prices:		
Class A, tax per thousand, \$2.50.....	84	79
Class B, tax per thousand, \$3.....	696	694
Class C, tax per thousand, \$4.....	8,919	8,972
Class D, tax per thousand, \$7.....	4,440	4,289
Class E, tax per thousand, \$10.....	25,858	25,100
Class F, tax per thousand, \$15.....	2,797	3,911
Class G, tax per thousand, \$20.....	3,572	3,570
Small cigars, tax per thousand, 75 cents.....	49	42
Cigar and cigarette floor tax (tax-paid stocks on hand).....	19	2
Cigarettes per thousand, class A (small) \$4, class B (large) \$8.40.....	1,586,782	1,513,740
Cigarette papers (½ cent) and tubes (1 cent).....	717	695
Manufactured tobacco (chewing, smoking, and snuff), 10 cents per pound.....	21,066	20,173
Leaf tobacco sold or removed in violation of sec. 2059 IRC.....	1	(*)
<b>Total tobacco taxes.....</b>	<b>1,654,911</b>	<b>1,580,229</b>
<b>Stamp taxes on documents, other instruments, and playing cards:</b>		
Issues and transfers of bonds of indebtedness, or capital stock, foreign insurance policies, and deeds of conveyance:		
Sales by postmasters.....	20,824	21,427
Sales by directors.....	61,816	61,608
Silver hullion transfers, 50 percent of profit.....	97	24
Playing cards, per pack, 13 cents.....	7,532	5,941
<b>Total stamp taxes on documents, etc.....</b>	<b>90,319</b>	<b>90,000</b>
<b>Manufacturers' excise taxes:<sup>20</sup></b>		
Lubricating oils, per gallon, 6 cents.....	73,321	68,441
Gasoline, per gallon, 2 cents.....	890,675	835,609
Floor tax, gasoline, ½ cent per gallon.....	4	(*)
Tires (wholly or in part of rubber), per pound 5 cents.....	154,922	129,567
Inner tubes, per pound, 9 cents.....	25,125	22,512
Mechanical pencils, pens, and lighters, 15 percent.....	11,938	10,885
Automobile truck chassis and bodies, 8 percent.....	210,032	149,914
Other automobile chassis and bodies and motorcycles, 10 percent.....	755,716	867,452
Parts and accessories for automobiles and motorcycles, 8 percent.....	177,924	135,248
Electric, gas, and oil appliances, 10 percent.....	113,390	97,415
Electric light bulbs, 20 percent.....	36,684	35,390
Radio sets, television sets, phonographs, components, etc., 10 percent.....	169,383	135,535
Phonograph records, 10 percent.....	7,617	8,445
Musical instruments, 10 percent.....	11,048	9,191
Mechanical refrigerators, quick-freeze units, air-conditioners, etc., 10 percent.....	87,424	75,959
Matches, per thousand, 2 cents, and fancy wooden or colored stems, 5½ cents.....	8,950	9,373
Business and store machines, 10 percent.....	50,259	48,092
Cameras, lenses, and films, 20 percent.....	29,401	25,196
Sporting goods, 15 percent.....	11,288	8,140
Fishing rods, creels, etc., 10 percent.....	4,557	4,625
Firearms, shells, and cartridges, 11 percent.....	12,148	10,286
Pistols and revolvers, 11 percent.....	933	975
<b>Total manufacturers' excise taxes.....</b>	<b>2,862,788</b>	<b>2,688,262</b>
<b>Retailers' excise taxes:<sup>20</sup></b>		
Furs, 20 percent.....	40,923	39,036
Jewelry, 20 percent.....	234,659	209,256
Luggage, 20 percent.....	95,750	79,891
Toilet goods, 20 percent.....	115,676	110,149
<b>Total retailers' excise taxes.....</b>	<b>496,009</b>	<b>438,332</b>
<b>Miscellaneous taxes:<sup>20</sup></b>		
Sugar, per pound, approximately ½ cent.....	78,130	73,885
Telephone, telegraph, cable, radio.....	391,682	388,893
Leased wires, 25 percent.....	26,258	23,615
Local telephone service, 15 percent.....	357,933	359,473
Transportation of oil by pipeline, 4½ percent.....	26,378	30,105
Transportation of persons, 15 percent.....	237,408	246,180
Transportation of property, 3 percent of amount paid, except coal which is 4 cents per ton.....	419,604	396,519
Leases of safe deposit boxes, 20 percent.....	10,368	9,318
Club dues and initiation fees, 20 percent.....	36,829	31,978

Footnotes on p. 77.

TABLE 3.—Internal revenue collections, fiscal years ending June 30, 1953 and 1954, by sources—Continued

[In thousands of dollars]

Sources of revenue	1953	1954
<b>Miscellaneous internal revenue—Continued</b>		
<b>Miscellaneous taxes:<sup>20</sup></b>		
Bowling alleys, pool tables, etc., \$20 per alley or table.....	3,411	3,227
Coin-operated amusement and gaming devices, \$19 and \$250 per device.....	16,505	14,615
<b>Admissions:</b>		
Admissions, for each 5 cents or fraction of the amount paid, 1 cent.....	319,224	270,520
Ticket brokers' sales, for amounts in excess of box office price, 20 percent.....	1,259	812
Leases of boxes or seats, of the amount for which similar accommodations are sold, 20 percent.....	451	404
Roof gardens, cabarets, etc., 20 percent of total paid for admissions, services, etc.....	46,591	38,312
Admissions sold by proprietors in excess of established price, 50 percent of such excess.....	897	215
<b>Total admissions taxes.....</b>	<b>359,522</b>	<b>310,264</b>
<b>Narcotics (opium, coca leaves, or derivatives thereof):</b>		
Opium, coca leaves, etc., per ounce or fraction thereof, 1 cent.....	390	360
Opium order blanks per hundred, \$1.....	17	17
Accepted offers in compromise, etc., on account of narcotics tax violations.....	56	45
<b>Special taxes:</b>		
Importers, manufacturers, and compounders, \$24 per year.....	3	7
Wholesale dealers, \$12 per year.....	23	16
Retail dealers, \$3 per year.....	166	174
Practitioners, \$1 per year.....	242	258
Dealers in untaxed narcotic preparations and laboratories, \$1 per year.....	6	5
<b>Total narcotics taxes.....</b>	<b>904</b>	<b>883</b>
<b>Marihuana taxes.....</b>		
Coconut and other vegetable oils processed:		
Coconut oil from the Philippines, per pound, 3 cents.....	16,386	14,842
Coconut oil from Trust Territory, per pound, 3 cents.....	26	76
Coconut oil from other United States possessions, per pound, 3 cents.....	486	21
Coconut oil and combination containing coconut oil (other than in preceding listing) per pound, 5 cents.....	41	93
Other per pound, 3 cents.....	1,044	1,234
<b>Total coconut and other vegetable oils processed.....</b>	<b>17,983</b>	<b>16,266</b>
<b>Firearms transfer and occupational taxes.....</b>		
Diesel fuel, per gallon, 2 cents.....	7	8
<b>Wagering:</b>		
Occupational, \$50.....	15,091	19,956
Excise, 10 percent.....	974	1,008
Other receipts (including repealed taxes).....	9,502	8,550
	653	3,517
<b>Total miscellaneous taxes.....</b>	<b>2,961,164</b>	<b>1,937,399</b>
<b>Total miscellaneous internal revenue.....</b>	<b>10,837,401</b>	<b>10,452,354</b>
<b>Grand total all internal revenue taxes.....</b>	<b>69,686,535</b>	<b>69,919,991</b>

Footnotes on p. 77.

TABLE 4.—Internal revenue collections by principal sources, fiscal years 1940 through 1954

[In thousands of dollars]

Fiscal year ended June 30	Income, profits and employment taxes					Estate and gift taxes (4)	Alcohol taxes (5)	Tobacco taxes (6)	Manufacturers' excise taxes (7)	All other taxes (8)	Total internal revenue collections (9)
	Corporation income and profits taxes (1)	Individual income and employment taxes <sup>2</sup> (2)	Total income, profits and employment taxes (3)								
1940	1,147,492	1,615,588	2,863,180	960,071	624,253	608,518	447,098	337,392	5,240,452		
1941	2,053,489	2,348,512	4,368,000	407,056	820,056	698,077	617,373	450,584	7,270,106		
1942	4,744,053	4,448,132	9,302,840	432,540	1,049,517	780,982	771,746	821,892	13,047,886		
1943	9,908,796	8,128,657	17,977,493	517,240	1,432,646	929,857	504,746	1,274,048	22,371,986		
1944	14,705,796	10,999,373	34,766,714	813,055	1,618,775	988,483	803,469	1,743,655	43,120,788		
1945	19,027,245	20,313,491	39,860,000	1,133,055	2,308,846	993,145	783,511	2,292,108	43,602,000		
1946	12,558,002	20,405,364	32,863,000	676,822	2,524,165	1,165,519	922,871	2,421,044	46,672,000		
1947	9,079,469	21,567,032	31,454,123	599,241	2,474,792	1,287,280	426,264	2,147,184	39,106,286		
1948	10,174,410	28,379,232	38,553,642	1,000,211	2,910,202	1,500,280	1,771,533	2,280,949	41,665,142		
1949	11,558,351	20,927,853	32,486,204	706,238	2,310,202	1,529,364	1,593,052	2,014,081	38,085,122		
1950	10,884,351	19,071,553	29,955,904	728,147	2,436,406	1,559,268	1,529,364	2,007,210	36,441,482		
1951	14,357,069	20,024,588	34,381,657	728,147	2,436,406	1,559,268	1,529,364	2,007,210	36,441,482		
1952	21,466,910	37,038,370	58,505,280	891,294	2,546,100	1,583,162	2,062,285	2,647,492	68,008,586		
1953	21,594,510	37,254,619	58,849,129	891,294	2,546,100	1,583,162	2,062,285	2,647,492	68,008,586		
1954	21,546,322	37,921,314	59,467,637	965,121	2,785,012	1,860,228	2,062,285	2,465,731	69,919,981		

Footnotes on p. 77.

Footnotes for tables 1 through 4, pages 44-76

- \* Less than \$500.
- <sup>1</sup> Includes tax on business income of exempt organizations.
- <sup>2</sup> Includes old-age insurance tax on self-employment income. Rates of tax are as follows:  
Individual income tax:  
Calendar year 1933—Graduated rates from 22.2 percent an first \$2,000 net income in excess of exemption to 92 percent on amount over \$300,000.  
Calendar year 1954—Above rates range from 20 percent to 91 percent.  
Self-employment tax:  
Calendar year 1953—2¼ percent of self-employment income.  
Calendar year 1954—3 percent of self-employment income.
- <sup>3</sup> Includes railroad employment compensation tax and railroad employees' representative tax.
- <sup>4</sup> Bronx, Rockland, and Westchester counties were transferred from Albany District to Upper Manhattan District, effective July 1, 1953; Lower Manhattan District includes Puerto Rico; Baltimore District includes Maryland and the District of Columbia; Seattle District includes Washington and Alaska.
- <sup>5</sup> Includes export stamps, bottled-in-bond container stamps, and bottled other-than-in-bond container stamps.
- <sup>6</sup> Includes special or occupational taxes on manufacturers of stills, rectifiers, wholesale liquor dealers, retail dealers in liquor or medicinal spirits, and non-beverage manufacturers of spirits.
- <sup>7</sup> Includes floor stocks tax; tax on stills or worms manufactured; and seizures, penalties, etc.
- <sup>8</sup> Includes special or occupational taxes on wholesale and retail dealers in wines or in wines and malt liquors.
- <sup>9</sup> Includes special or occupational taxes on brewers and wholesale and retail dealers in malt liquors.
- <sup>10</sup> Includes taxes on large cigars, classes A through G, and on small cigars.
- <sup>11</sup> Includes floor stocks taxes, taxes on cigarette papers, and taxes on leaf tobacco sold or removed in violation of sec. 2059, Internal Revenue Code.
- <sup>12</sup> Includes taxes on silver bullion transfers and on playing cards.
- <sup>13</sup> Includes taxes on mechanical pens, pencils, and lighters; electric light bulbs; phonograph records; musical instruments; matches; business and store machines; cameras, lenses, and films; sporting goods; fishing rods, creels, etc.; firearms, shells, and cartridges; and pistols and revolvers.
- <sup>14</sup> Includes taxes on ticket brokers' sales, leases of boxes or seats, and admissions sold by proprietors in excess of established price, as well as general admissions tax.
- <sup>15</sup> Includes all narcotics and marihuana taxes.
- <sup>16</sup> Includes taxes on coconut oil from the Philippines, the Trust Territory, and United States possessions as well as other coconut and vegetable oils processed.
- <sup>17</sup> Under revised accounting procedures effective July 1, 1954, taxpayments made to banks under the depository receipts system are to be included in internal revenue collections for the month in which the depository receipts are issued instead of the month in which tax returns supported by the depository receipts are received in internal revenue offices. This will eliminate differences in concept between internal revenue collections reports and internal revenue receipts as measured in the Treasury Monthly Statement.  
The amount of depository receipts issued by Federal Reserve banks, and not received by internal revenue offices as avoidance of taxpayments, totaled \$3,944 million as of June 30, 1954, of which \$3,414 million related to withheld income and F. I. C. A. taxes, \$97 million to railroad retirement taxes, and \$433 million to excise taxes. In order to maintain comparability with earlier periods, internal revenue collections for the fiscal year 1954 are shown herein on the basis formerly employed and do not include these amounts.
- <sup>18</sup> Corporation income and profits tax rates:  
First \$25,000 of net income, normal tax of 30 percent; net income in excess of \$25,000, combined normal tax and surtax of 52 percent; excess-profits tax of 30 percent, terminated Dec. 31, 1953. Normal tax and surtax rates also apply to net income derived by certain exempt organizations from unrelated trade or business.
- <sup>19</sup> Rates of income tax withheld and old-age insurance taxes:  
Income tax withheld: Wages in excess of exemptions taxed at 20 percent through Dec. 31, 1953; 18 percent beginning Jan. 1, 1954.  
Old-age insurance taxes (including employers' and employees' taxes):  
Taxable portion of payrolls taxed at 3 percent through Dec. 31, 1953; 4 percent beginning Jan. 1, 1954.
- <sup>20</sup> Excise tax rates shown in table 3 do not take into account the reductions which were effective Apr. 1, 1954, under the Excise Tax Reduction Act of 1954. Increases or decreases in excise tax collections for the fiscal year 1954 as compared with fiscal year 1953 should be appraised in the light of the following events: (1) the change from a monthly basis to a quarterly basis for the filing of substantially all excise tax returns, effective for the quarter beginning July 1, 1953; and (2) also beginning July 1, 1953, the extension to certain excise taxes of the depository receipt system for the payment of taxes.
- <sup>21</sup> Beginning January 1951, withheld income taxes and social security employment taxes on employees and employers are paid into the Treasury in combined amounts without separation as to type of tax. The figures for prior periods have been combined accordingly in this table for purposes of comparison, but are shown separately in previous annual reports.

TABLE 5.—*Internal revenue tax on manufactured products from Puerto Rico, fiscal years 1953 and 1954, by objects of taxation*

Articles taxed	1953	1954
Distilled spirits, excise tax .....	\$15,251,541	\$14,286,853
Distilled spirits, rectification tax .....	430,607	419,219
Cigars, large:		5
Class A .....		
Class B .....		
Class C .....	6,606	12,782
Class D .....	259	1,559
Class E .....	13,384	263,027
Class F .....	4,426	2,946
Class G .....	486	320
Cigars, small .....	50	
Cigarettes, small .....	526	500
Chewing and smoking tobacco .....	446	1,925
Total .....	15,708,331	14,989,496

NOTE.—Stamp sales for Puerto Rican tobacco and liquor manufacturers are deposited at San Juan to the credit of the treasurer of Puerto Rico and consequently are not shown in other collection statements herein except that liquor and tobacco taxes amounting to \$12,884 in 1954 and \$367 in 1953 were collected at the ports of entry and were covered into the Treasury of the United States to the credit of the treasurer of Puerto Rico, under the Act of Mar. 2, 1917 (sec. 3360, Internal Revenue Code of 1939 as amended).

*Alcohol and  
Tobacco Taxes  
Tables 6-11*

TABLE 6.—Number of establishments qualified to engage in the production, distribution, storage, or use of alcohol and alcoholic liquors as of June 30, 1953 and 1954, or to engage in the production or distribution of tobacco products as of December 31, 1952 and 1953

Class of establishment	June 30	
	1953	1954
<b>ALCOHOL, DISTILLED SPIRITS, BEER, WINES, ETC.</b>		
Distilled spirits:		
Fruit distilleries	114	106
Registered distilleries	110	100
Internal revenue bonded warehouses	244	231
Distillery denaturing bonded warehouses	2	2
Tax-paid bottling houses	61	55
Rectifying plants	157	151
Industrial alcohol:		
Industrial alcohol plants	47	43
Industrial alcohol bonded warehouses	59	53
Industrial alcohol denaturing plants	50	48
Dealers in specially denatured alcohol and rum	33	35
Users of specially denatured alcohol	4,218	4,156
Reprocessors, rebottlers, etc., of specially denatured alcohol articles	1,743	1,604
Users of tax-free alcohol	7,539	7,608
Fermented malt liquor:		
Breweries	312	296
Wine:		
Bonded wineries	634	593
Bonded wine storerooms	70	69
Bonded field warehouses	28	22
Vinegar:		
Vinegar factories using vaporizing process	7	7
Beverage dealers:		
Importers	1,233	1,249
Wholesale liquor dealers	7,805	7,069
Wholesale malt liquor dealers	12,659	11,789
Retail liquor dealers	287,600	288,367
Retail malt liquor dealers	165,257	176,450
Other:		
Manufacturers of nonbeverage products (drawback)	1,159	1,124
Bottle manufacturers	78	83
Carriers	459	469
Fruit-flavor concentrate plants	12	15
	Dec. 31	
	1952	1953
<b>TOBACCO</b>		
Manufacturers of tobacco including snuff	259	256
Manufacturers of cigars and cigarettes	1,348	1,163
Sea stores warehouses	51	53
Export warehouses	4	4

TABLE 7.—Number of permits under the Federal Alcohol Administration Act, fiscal year 1954

Status	Dis- tillers (1)	Ware- houses and bottlers (2)	Recti- fiers (3)	Wine pro- ducers and blenders (4)	Wine blead- ers (5)	Import- ers (6)	Whole- salers (7)	Total (8)
In effect July 1, 1953	300	349	223	649	77	1,233	13,574	16,405
Issued	24	32	25	54	16	215	1,796	2,161
Terminated	53	62	39	97	17	202	2,177	2,647
Revoked	1	5	1	1	1	1	13	16
Annulled	30	40	28	53	16	128	1,123	1,418
Voluntarily surrendered	22	17	11	43	7	78	1,041	1,208
Automatically terminated	271	219	209	606	75	1,246	13,193	16,919
In effect June 30, 1954	38	169	124	32	14	135	1,146	1,708
Amended								

TABLE 8.—Number of permits under secs. 3070 through 3125, Internal Revenue Code of 1939 as amended, fiscal year 1954

Status	Industrial al- cohol plants, bonded ware- houses and de- naturing plants <sup>1</sup> (1)	Dealers in spe- cially de- natura- ed alcohol (2)	Users of specially dena- tured alcohol (3)	Users of specially dena- tured rum (4)	Users of tax- free alcohol (5)	Carriers of tax-free and spe- cially denatura- ed alcohol (6)	Total (7)
In effect July 1, 1953	84	33	4,168	51	7,640	460	12,436
Issued	7	3	318	5	296	37	606
Terminated	13	1	381	3	323	28	753
Revoked	1	1	1	1	1	1	2
Voluntarily surrendered	11	237	237	1	209	17	475
Involuntarily surren- dered	2		20		7	2	31
Expired <sup>2</sup>			123	2	111	9	245
In effect June 30, 1954	78	36	4,105	53	7,608	469	12,349
Renewals approved	74	33	4,065	55	7,236	451	11,914
Amended	42	5	1,320	5	628	33	2,031

<sup>1</sup> Permits cover industrial alcohol plants, bonded warehouses, and denaturing plants, either singly or in combination.

<sup>2</sup> Represents permits terminated due to failure to file renewal applications, or to disapproval of renewal applications.

TABLE 9.—Enforcement, Alcohol and Tobacco Tax Division: Seizures and arrests, fiscal years 1953 and 1954

Item	Fiscal year	
	1953	1954
Seizures:		
Stills (number)	10,699	11,266
Nontaxpaid distilled spirits (wine gallons)	172,951	186,447
Nontaxpaid wines (wine gallons)	8,611	44,687
Mash (wine gallons)	6,151,082	6,722,850
Automobiles (number)	1,748	1,783
Trucks (number)	585	626
Property (appraised value)	\$3,104,525	\$3,197,771
Arrests (number)	9,370	9,344

<sup>1</sup> Includes \$65,832 representing the appraised value of 19 automobiles, 4 trucks, and 2,047 wine gallons of taxpaid liquors seized for violations of the Liquor Enforcement Act of 1936, and the value of 5,091 wine gallons of taxpaid liquors seized for violations of other internal revenue laws.

NOTE.—Includes seizures and arrests in cases adopted, as well as originated by the Alcohol and Tobacco Tax Division.

TABLE 10.—Label activity under Federal Alcohol Administration Act, fiscal year 1954

Item	Number of applications received			Number of actions			Total
	For approval (1)	For exemption (2)	Total (3)	Certificates issued		Applications disapproved (6)	
				Approvals (4)	Exemptions (5)		
<b>DISTILLED SPIRITS</b>							
Domestic.....	12,515	42	12,557	11,835	36	228	12,099
Imported.....	1,532		1,532	1,490		91	1,581
Total.....	14,047	42	14,089	13,325	36	319	13,680
<b>WINES</b>							
Domestic.....	8,548	331	8,879	8,193	311	110	8,614
Imported.....	10,391		10,391	9,912		180	10,092
Total.....	18,939	331	19,270	18,105	311	290	18,706
<b>MALT BEVERAGES</b>							
Domestic.....	1,517		1,517	1,391		29	1,420
Imported.....	241		241	201		26	227
Total.....	1,758		1,758	1,592		55	1,647
Grand total.....	34,744	373	35,117	33,022	347	664	34,033

Stamp Taxes

Table 12

TABLE 11.—Number of tobacco, cigar, and cigarette factories in business, calendar year 1953

Status	Manufactured-tobacco factories (1)	Cigar factories (2)	Cigarette factories (3)
In business, Jan. 1, 1953.....	259	1,303	45
Opened.....	22	71	4
Closed.....	25	255	5
In business, Dec. 31, 1953.....	256	1,119	44

TABLE 12.—Number of each class of special-taxpayers purchasing special-tax stamps covering the fiscal year 1954, or portion thereof, under the various annual rates, by internal revenue districts and States

Internal Revenue regions and directors' districts	Distilled spirits									
	Manufacturers of stills, \$55	Rectifiers		Wholesale dealers, \$200	Retail dealers			Manufacturers of nonbeverage products		
		Less than 500 barrels, \$100	500 barrels or more, \$220		Retail dealers, \$50	At large, \$50	Medicinal spirits, \$50	Less than 25 gallons, \$25	Not exceeding 50 gallons, \$50	50 gallons or more, \$100
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	
<b>Boston region</b> .....	11	11	9	450	16,717	3	792	12	10	92
Augusta.....			1	8	320					3
Boston.....	9	5	5	264	8,207	2	728	5	6	67
Burlington.....				5	451		1			2
Hartford.....	1	5	3	133	5,398			5	1	11
Portsmouth.....				39	362		1			3
Providence.....	1			1	1,979	1	62	1	1	6
<b>New York region</b> .....	21	5	4	508	36,696	155	1	5	13	171
Albany <sup>1</sup> .....	5		1	15	6,111					6
Brooklyn.....	3	4	1	132	7,666	5	1	2	4	46
Buffalo.....	6			25	5,610			1	2	22
Lower Manhattan.....	2	1		101	2,049	149		1	3	49
Syracuse.....	3			20	4,179				2	12
Upper Manhattan <sup>1</sup> .....	1		2	206	6,181	1			2	34
<b>Philadelphia region</b> .....	39	11	32	1,167	42,082	202	8	16	17	172
Baltimore <sup>1</sup> .....	1	5	12	275	6,150	156	7	3	1	23
Camden.....	6		3	48	3,931			2		7
Newark.....	15			151	10,050	17		3	5	55
Philadelphia.....	10		7	309	8,807	10	1	8	5	53
Pittsburgh.....	5	6	2	249	7,979	1		1	2	14
Scranton.....	2		1	116	4,495				3	5
Wilmington.....				19	690			1		1
<b>Cincinnati region</b> .....	19	17	32	716	30,060	23	12	9	10	106
Cincinnati.....	5		4	100	4,242	3		1	3	26
Cleveland.....	5	1	1	233	11,134			4	2	22
Columbus.....	1			98	2,706			2	1	7
Toledo.....				83	3,190				1	9
Indianapolis.....	1	6	9	33	5,226				1	21
Louisville.....	2	10	18	162	2,435	20	2	2	2	5
Parkersburg.....	4			1	678					1
Richmond.....	1			6	449		10			15
<b>Atlanta region</b> .....	1	1		337	10,557	2	13	9	14	61
Atlanta.....				39	1,638			4	2	14
Birmingham.....				21	614		4	2	2	3
Columbia.....				15	1,048	1				1
Greensboro.....				69	291	1	6	1	2	8
Jackson.....	1			39	1,220		1	1		6
Jacksonville.....		1		89	4,820				5	1
Nashville.....				75	926		2	1	4	23
<b>Chicago region</b> .....	14	8	12	1,172	56,491	4	542	12	8	153
Chicago.....	6	1	4	307	18,347		2	6	7	56
Springfield.....	3		3	101	5,735		3	1	1	10
Detroit.....	5	3	5	656	18,777			3		44
Milwaukee.....		4		108	13,582	4	537	2		13
<b>Omaha region</b> .....	8	2	2	432	19,276	137	418	8	10	85
Aberdeen.....				1	942					1
Cheyenne.....				1	684		1			
Denver.....		1		41	2,310	17	313	1	1	10
Des Moines.....				3	2,120		2	1		10
Fargo.....				17	1,078					
Kansas City.....				113	2,423	11	3	1	1	5
St. Louis.....	7		1	94	4,309	53	6	4	4	38
Omaha.....				9	1,665	106	12			2
St. Paul.....				106	2,620		75	4	3	17
Wichita.....			1	35	1,134		1	1	1	2
<b>Dallas region</b> .....	2	2		315	12,486	10	1	5	5	41
Albuquerque.....		1		41	1,494					
Austin.....	1			63	2,477	1			3	14
Dallas.....				132	1,902	9		3		9
Little Rock.....				6	754		1		1	
New Orleans.....		1		72	5,354			2	1	16
Oklahoma City.....	1			2	665					2
<b>San Francisco region</b> .....	12	20	18	1,491	52,721		51	8	9	116
Boise.....				5	791					
Helena.....				37	1,791					
Honolulu.....				41	1,213					1
Los Angeles.....	8	6	4	364	16,312			6	4	45
San Francisco.....	4	14	9	586	19,652			1	1	52
Phoenix.....				79	2,295					
Portland.....				83	2,516		1			6
Reno.....				20	1,167		50			
Salt Lake City.....					132					1
Seattle <sup>1</sup> .....		1		275	6,882			1	3	11
<b>Total</b> .....	127	77	104	6,588	271,065	584	1,833	86	96	997
TOTALS FOR STATES AND TERRITORIES COMPRISING PART OF OR MORE THAN ONE INTERNAL REVENUE DISTRICT										
Alaska.....				19	638					
California.....	12	19	13	950	35,964			7		97
Illinois.....	9	1	7	408	24,132		5	7	8	96
Missouri.....	8		1	212	6,732	54	9	1	5	43
New Jersey.....	21		10	199	13,961	17		5	5	62
New York.....	21	5	4	508	30,696	155	1	5	13	171
Ohio.....	11	1	5	514	21,272	3		7	7	64
Pennsylvania.....	17	6	10	874	21,281	17	1	9	11	82
Texas.....	1			195	4,279	10		3	3	23
Washington.....		1		256	5,244			1	3	11

<sup>1</sup> Baltimore district includes Maryland and the District of Columbia; Seattle district includes Washington and Alaska; Bronx, Rockland, and Westchester counties were transferred from Albany district to Upper Manhattan district, effective July 1, 1953.

TABLE 12.—Number of each class of special-taxpayers purchasing special-tax stamps covering the fiscal year 1954, or portion thereof, under the various annual rates, by internal revenue districts and States—Continued

Internal revenue regions and directors' districts	Wines				Fermented malt liquors					
	Wholesale dealers		Retail dealers		Brewers		Wholesale dealers, \$100	Retail dealers, \$22	Retail dealers at large, \$22	Temporary dealers in liquors (beer or wine), \$2.20 per month
	Wines, \$200	Wines and malt liquors, \$206	Wines, \$50	Wines and malt liquors, \$50	Less than 500 barrels, \$56	500 barrels or more, \$119				
	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)
<b>Boston region</b>		25		927		12	824	8,241	2	976
Augusta						8	60	2,661		533
Boston							22	310	2	9
Burlington		25		925		2	203	2,998		416
Hartford				2			33	1,984		
Portsmouth						2	49	56		18
Providence						25	811	29,567	48	1,169
<b>New York region</b>	101	1	90	162		4	113	3,717		144
Albany <sup>1</sup>	1		8	66		6	306	9,895	45	47
Brooklyn	16	1	9			10	158	4,857		317
Buffalo	12		45	44		1	32	1,498	3	31
Lower Manhattan	42		2			3	103	2,790		463
Syracuse			2	52		2	99	6,810		167
Upper Manhattan <sup>1</sup>	80		14	433		58	3,220	6,950		1,786
<b>Philadelphia region</b>	19	3		422		9	204	2,450		1,000
Baltimore <sup>1</sup>			1	2		3	245	196		150
Camden	1	3		8		6	391	352		582
Newark	17		12			19	1,024	1,911		4
Philadelphia						11	1,072	1,401		
Pittsburgh	1		1	1		9	267	599		21
Scranton						1	17	38		9
Wilmington						39	977	13,981	2	1,546
<b>Cincinnati region</b>	9	78	11	7,013		1	50	715		393
Cincinnati	1	3	2	7		7	60	357		608
Cleveland						5	24	457		93
Columbus		3		5		4	43	484		223
Toledo						7	242	977		120
Indianapolis	2	13	3	2,694		6	178	2,956	2	106
Louisville	1		1	3		1	145	4,354		
Parkersburg	2		1	510		6	135	3,681		3
Richmond	4	59	4	3,859		19	597	30,908	2	108
<b>Atlanta region</b>	19	119	152	7,828		1	73	2,626		
Atlanta	3	11	53	1,188		1	31	3,027		2
Birmingham				1			41	4,137		45
Columbia	1	29	8	1,232		1	108	4,331		2
Greensboro	4	24	87	1,387			70	3,700		15
Jackson	2		4	208		5	109	6,771	2	7
Jacksonville		55		3,810		2	115	6,316		37
Nashville				2						
<b>Chicago region</b>	4	16	3	100	3	92	2,229	8,025		3,210
Chicago	3	1	2	5		16	684	673		911
Springfield				3		6	258	1,112		180
Detroit	1	15	1	92	2	24	408	480		1,230
Milwaukee					1	46	379	5,760		889
<b>Omaha region</b>	7	2	7	50	1	35	1,548	30,374	14	789
Aberdeen							67	1,497		16
Cheyenne						1	70	164		23
Denver				43		4	97	1,131		10
Des Moines				1		3	266	5,454		20
Fargo							54	475		14
Kansas City	1		1	1		3	123	2,145	1	27
St. Louis	4		3	167		6	167	4,017	12	307
Omaha						4	136	1,478		4
St. Paul	2	2	3	3	1	14	426	10,021	1	310
Wichita				2			142	4,492		49
<b>Dallas region</b>		22	2	4,353		11	1,642	31,609	24	178
Albuquerque							27	28		3
Austin		6		3,481		6	508	15,908	10	54
Dallas				443			211	4,486	14	40
Little Rock		15	2	419			51	2,089		4
New Orleans						4	122	3,978		77
Oklahoma City		1		10		1	123	5,140		
<b>San Francisco region</b>	11	1	14	12		48	867	21,925		1,114
Boise				2		2	97	1,909		9
Helena				2		5	77	451		33
Honolulu						7	29	80		2
Los Angeles						8	157	6,525		226
San Francisco	11	1	14	19		9	204	5,992		632
Phoenix						1	16	297		4
Portland						1	90	3,047		77
Reno						1	26	289		12
Salt Lake City						2	39	1,556		16
Seattle <sup>1</sup>						10	133	1,819		101
<b>Total</b>	161	267	293	20,893	5	329	12,015	182,080	92	10,856
TOTALS FOR STATES AND TERRITORIES COMPRISING PART OF OR MORE THAN ONE INTERNAL REVENUE DISTRICT										
Alaska							32	53		
California	11	1	14	10		17	361	12,517		858
Illinois	3	1	2	3		22	942	1,785		1,091
Missouri	5		4	1		9	290	6,182		334
New Jersey	13	3	13	10		9	636	548	13	732
New York	101	1	90	162		26	311	29,567	48	1,169
Ohio	1	6	2	12	1	19	177	2,013		1,317
Pennsylvania	1		1	1		39	2,363	3,914		25
Texas		5		3,924		6	719	20,374	24	84
Washington						10	101	1,766		101

<sup>1</sup> Baltimore district includes Maryland and the District of Columbia; Seattle district includes Washington and Alaska; Bronx, Rockland, and Westchester counties were transferred from Albany district to Upper Manhattan district, effective July 1, 1953.

TABLE 12.—Number of each class of special-taxpayers purchasing special-tax stamps covering the fiscal year 1954, or portion thereof, under the various annual rates, by internal revenue districts and States—Continued

Internal revenue regions and directors' districts	Narcotics					Marihuana					
	Manufacturers, importers, and compounders of opium, etc., \$24	Wholesale dealers, \$12	Retail dealers, \$3	Practitioners, \$1	Dealers unprepared preparations, \$1	Laboratories, etc., \$1	Manufacturers, \$24	Dealers, \$3	Producers, \$1	Practitioners, \$1	Laboratories, \$1
	(21)	(22)	(23)	(24)	(25)	(26)	(27)	(28)	(29)	(30)	(31)
<b>Boston region</b>	7	78	6,856	16,491	319	34		1		13	4
Augusta	5	42	2,024	1,342	4	1				10	3
Boston	3	117	896	3,816	122	10				3	1
Burlington	1	17	896	3,816	122	10				3	1
Hartford	1	3	178	806	3						
Portsmouth	1	8	346	1,238	27	4		1		27	3
Providence	24	109	6,472	32,871	135	1	3	10		2	1
<b>New York region</b>	2	15	595	2,487	2	1				2	1
Albany <sup>1</sup>	5	14	2,616	10,273	30	7				6	
Brooklyn	3	17	791	3,036	24	5					
Buffalo	4	28	394	1,539	18	5	2				
Lower Manhattan	4	14	423	2,444	21	2		3		2	1
Syracuse	6	21	1,653	12,092	31	16		6		15	1
Upper Manhattan <sup>1</sup>	39	146	6,320	31,330	122	53	1	11		39	3
<b>Philadelphia region</b>	5	30	1,200	5,850	13	5				6	
Baltimore <sup>1</sup>		2	490	2,070	2			2		5	
Camden	14	13	1,285	6,119	26	20		1		5	1
Newark	18	72	2,139	9,724	49	21	1	5		10	2
Philadelphia	2	17	1,205	5,123	20	4		1		1	
Pittsburgh		11	493	1,940	6	2		1		11	
Scranton		1	108	1,504	7	1				1	
Wilmington	24	159	5,788	24,883	493	19		8	25	20	2
<b>Cincinnati region</b>	3	15	627	2,689	22	3				2	
Cincinnati	7	36	1,179	5,240	13	1		1		3	
Cleveland	3	17	403	1,801	22	3				5	
Columbus	1	13	375	1,586	28	2				4	
Toledo	5	46	1,309	4,805	52	7				3	1
Indianapolis		10	735	2,822	27			6	25	1	
Louisville		8	291	2,089	1	1				2	1
Parkersburg	1	14	709	3,751	328	2				16	
Richmond	4	170	6,711	24,523	433	31		1		9	
<b>Atlanta region</b>	2	70	1,706	6,325	12	14				1	
Atlanta	1	19	808	2,623	4	3		1		6	
Birmingham	1	8	651	1,989	4						
Columbia	1	16	942	3,876	305	5					
Greensboro		5	533	1,836	37						
Jackson		19	1,055	4,280	6	3					
Jacksonville		33	997	3,704	20	6					
Nashville											
<b>Chicago region</b>	18	156	6,301	26,918	248	35	1	8	109	23	2
Chicago	4	51	2,183	10,897	60	20		4		12	2
Springfield	1	26	714	2,916	62	4		2		5	
Detroit	8	60	2,228	8,652	88	11		1		6	
Milwaukee	5	19	1,176	4,453	38		1		109		
<b>Omaha region</b>	14	161	5,992	22,828	210	19	1	3	1	43	1
Aberdeen		4	265	710	4						
Cheyenne		2	107	376						1	
Denver		28	637	2,562	12	1				1	
Des Moines		34	827	3,383	76	3				10	
Fargo	2	3	187	619							
Kansas City		22	719	2,699	41	3				2	
St. Louis	8	20	856	3,594	31	9					
Omaha	1	9	583	1,844	24	3	1	2	1	29	1
St. Paul	1	23	1,010	4,541	12			1			
Wichita	1	16	801	2,500	10						
<b>Dallas region</b>	2	110	5,446	19,323	766	12		3		4	
Albuquerque		3	250	780	11						
Austin	1	27	1,373	5,596	299	4		2		2	
Dallas	1	34	1,347	5,022	384						
Little Rock		5	579	1,693	13	1					
New Orleans		18	977	3,305	23	5		1		1	
Oklahoma City		22	920	2,927	36					1	
<b>San Francisco region</b>	11	160	6,410	34,561	168	26		1		23	2
Boise		3	233	790							
Helena		4	230	798	2	1					
Honolulu		10	64	851	70	2					1
Los Angeles	5	39	2,037	13,484	43	15				20	
San Francisco	3	30	1,681	9,830	20	3		1		1	1
Phoenix		10	294	1,150	8						
Portland	2	17	557	2,533	3					1	
Reno		1	87	293	2						
Salt Lake City		11	242	1,062	7						
Seattle <sup>1</sup>	1	35	995	3,770	13	4				1	
<b>Total</b>	146	1,249	53,896	283,588	2,894	272	6	46	135	208	17
TOTALS FOR STATES AND TERRITORIES COMPRISING PART OF OR MORE THAN ONE INTERNAL REVENUE DISTRICT											
Alaska			35	64							
California											
Illinois	8	69	3,718	23,314	63	18		1		21	1
Missouri	5	77	2,897	13,813	122	24		5		17	2
New Jersey	9	42	1,575	6,293	72	12				2	
New York	14	15	1,775	8,189	27	20		3		10	1
Ohio	24	109	6,472	32,871	135	43	3	10		27	3
Pennsylvania	14	81	2,584	11,386	85	9		2		14	
Texas	20	100	3,837	16,787	75	26	1	2		22	2
Washington	2	51	2,720	10,518	683	4		7		2	
Washington	1	35	960	3,706	13	4				1	

<sup>1</sup> Baltimore district includes Maryland and the District of Columbia; Seattle district includes Washington and Alaska; Bronx, Rockland, and Westchester counties were transferred from Albany district to Upper Manhattan district, effective July 1, 1953.

TABLE 12.—Number of each class of special-taxpayers purchasing special-tax stamps covering the fiscal year 1964, or portion thereof, under the various annual rates, by internal revenue districts and States—Continued

Internal revenue regions and directors' districts	National Firearms Act					Coin-operated devices, billiard, pool, and bowling alley premises			Adulterated, processed or renovated butter, and filled cheese	Wagering \$50	Total number of all special taxpayers	
	Manufacturers or importers		Pawn-brokers, class 3, \$300	Dealers other than pawn-brokers, class 4, \$200	Dealers, class 5, \$1	Billiard or poolroom and bowling alley premises, \$20	Amusement device premises, \$10	Gaming device premises, \$250				
	Class 1, \$500	Class 2, \$25										(32)
<b>Boston region</b>	2			1	16	2,830	16,477	79			281	71,515
Augusta					1	971	1,852	4			4	6,962
Boston						1,256	7,802	59			181	30,597
Burlington	1					171	769	3				3,518
Hartford						552	4,762	5			26	19,407
Portsmouth				1	17	257	1,278	7			14	4,931
Providence						223	1,984	1			56	6,100
<b>New York region</b>		1		4	7	4,699	28,763	10			65	136,790
Albany <sup>1</sup>						363	5,613	2			29	18,233
Brooklyn		1			4	2,751	7,150	2			5	41,035
Buffalo						556	5,320	2			13	21,708
Lower Manhattan				1		126	1,452	1				7,621
Syracuse					1	519	4,558				8	15,680
Upper Manhattan <sup>1</sup>					1	384	4,660	1			10	32,513
<b>Philadelphia region</b>				3	1	4,247	49,824	2,085			426	151,387
Baltimore <sup>1</sup>				4	6	567	8,150	1,800			22	28,392
Camden				3	5	309	3,958	22			9	11,457
Newark						350	8,837	11			17	28,349
Philadelphia						1,132	12,230	134			35	37,760
Pittsburgh				1	1	1,281	10,087	13			172	28,574
Scranton						515	5,830	23			111	14,460
Wilmington						93	732	2			60	2,285
<b>Cincinnati region</b>				2	3	5,162	45,230	944	1		2,063	139,282
Cincinnati						379	3,558	1			28	12,868
Cleveland						922	9,196	12			317	29,362
Columbus						356	3,421	3			49	9,573
Toledo						512	4,705	6	1		94	11,364
Indianapolis						1,103	7,518	15			916	25,075
Louisville						503	5,214	604			218	16,075
Parkersburg					1	709	5,605	282			464	15,170
Richmond				2	2	618	6,013	21			37	19,795
<b>Atlanta region</b>		1			67	4,002	31,337	934		1	669	119,632
Atlanta						555	4,174	506			165	19,226
Birmingham						375	2,517	4	1		158	10,285
Columbia						394	3,021	49			20	12,581
Greensboro					27	1,094	3,354	34			34	15,989
Jackson					1	398	3,785	158			126	12,166
Jacksonville		1			39	567	3,078	13			69	29,806
Nashville						619	6,408	170			97	19,569
<b>Chicago region</b>					10	4,971	56,093	1,173		1	1,578	169,743
Chicago						1,257	17,284	587			613	54,035
Springfield					1	1,166	8,875	566		1	877	22,481
Detroit					8	1,348	14,787	20			88	49,052
Milwaukee					1	1,200	15,347					44,175
<b>Omaha region</b>					35	6,892	41,705	150	97		519	132,420
Aberdeen						430	1,882	35			2	5,603
Cheyenne						136	954	19			342	2,881
Denver						446	3,283				8	10,957
Des Moines						1,283	6,808			24		19,035
Fargo				5		566	1,799	9			14	4,835
Kansas City						506	4,333	3			26	13,379
St. Louis					1	707	7,791	24	63		52	22,131
Omaha					9	712	3,064		10		17	9,736
St. Paul						990	7,509	8			2	27,716
Wichita					20	1,026	5,752	46			56	16,087
<b>Dallas region</b>					43	3,943	36,175	1,091	82	1,877	118,945	
Albuquerque					15	202	1,924	4	3		4	4,731
Austin					23	1,583	11,228	36			674	43,380
Dallas					1	520	6,619	4		70	42	21,173
Little Rock						475	3,283	63		2	81	9,547
New Orleans						516	8,791	923			924	25,112
Oklahoma City					4	607	4,320	61	7		152	15,002
<b>San Francisco region</b>		1		14	10	4,487	46,934	4,694		5,105	162,038	
Boise						271	1,821	646			735	7,315
Helena						237	2,260	72			341	6,339
Honolulu						293	1,277	1				3,933
Los Angeles						1,016	11,740	132			66	52,282
San Francisco		1		14		1,069	14,094	423			30	54,384
Phoenix						199	2,319	36			1	6,678
Portland					5	458	4,172	174			330	14,073
Reno						43	1,052	1,274			227	4,494
Salt Lake City						221	1,625	44			805	5,776
Seattle <sup>1</sup>					5	680	6,568	1,886			3,570	26,764
<b>Total</b>	<b>3</b>	<b>2</b>		<b>25</b>	<b>199</b>	<b>41,133</b>	<b>354,528</b>	<b>11,080</b>	<b>182</b>	<b>13,583</b>	<b>1,221,752</b>	

TOTALS FOR STATES AND TERRITORIES COMPRISING PART OF OR MORE THAN ONE INTERNAL REVENUE DISTRICT

Alaska						61	424	168			281	1,726
California					1	2,085	25,840	561			96	106,666
Illinois	1			14		2,423	25,959	1,153		1	1,490	76,516
Missouri					1	1,303	12,124	32		73	78	35,510
New Jersey						659	22,795	33			26	39,816
New York		1		4	7	4,699	28,763	10			65	136,790
Ohio						2,169	20,980	22		1	498	63,167
Pennsylvania					1	2,928	28,147	170			318	80,894
Texas					1	2,103	17,947	40		70	716	64,553
Washington					4	619	6,144	1,718			3,339	25,038

<sup>1</sup> Baltimore district includes Maryland and the District of Columbia; Seattle district includes Washington and Alaska; Bronx, Rockland, and Westchester counties were transferred from Albany district to Upper Manhattan district, effective July 1, 1963.

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*Cases Receiving  
Appellate Consideration  
or in Litigation*

*Tables 13-28*

TABLE 13.—Appellate Division receipt and disposal of income, profits, estate, and gift tax cases not before the Tax Court (pre-90-day and statutory notice cases), fiscal year 1954.

Status	Number of cases (1)	Amount stated in revenue agent's report or in statutory notice <sup>1</sup>		
		Deficiency in tax (2)	Penalty (3)	Overassessment (4)
In thousands of dollars				
Pending at beginning of year:				
Awaiting Appellate Division action.....	17,990	635,145	67,916	123,468
Awaiting taxpayer's action on statutory notice directed or sustained.....	1,375	43,616	4,376	3,376
Received during year.....	8,950	143,012	18,638	37,240
Disposed of:				
Closed.....	12,515	189,997	20,575	41,194
Petitioned to the Tax Court.....	2,222	79,439	11,504	3,600
Total disposed of.....	14,737	269,436	32,079	44,795
Pending at end of year:				
Awaiting Appellate Division action.....	12,251	510,362	51,513	116,366
Awaiting taxpayer's action on statutory notice directed or sustained.....	1,327	41,975	7,337	2,923
Total.....	13,578	552,337	58,851	119,289

<sup>1</sup> For cases originally received in pre-90-day status, amount of director's finding; for cases originally received in 90-day status, amount of statutory notice; for estate tax cases, net amount after deducting additional State tax credit allowable if substantiated.

TABLE 14.—Results obtained in Appellate Division closings of income, profits, estate, and gift tax cases not before the Tax Court, fiscal year 1954.

Disposal	Number of cases closed (1)	Decision of Appellate Division		
		Amount of deficiency in tax (2)	Amount of penalty (3)	Amount of overassessment (4)
In thousands of dollars				
Agreements before statutory notice (including agreed overassessments and agreed claim rejections).....	10,299	74,493	7,166	34,874
Agreements on directors' statutory notices during 90-day period.....	211	344	103	10
Agreements on reconsideration after Appellate Division's statutory notices.....	121	1,160	109	237
Defaults on Appellate Division's statutory notices (no petition filed).....	807	10,806	1,864	327
Defaults on directors' statutory notices sustained by Appellate Division (no petition filed).....	54	335	6	23
Unagreed overassessments and claims rejections.....	933	11	79	1,282
Total.....	12,515	87,148	9,327	36,753

TABLE 15.—Appellate Division receipt and disposal of income, profits, estate, and gift tax cases docketed in the Tax Court (pending settlement or trial), fiscal year 1954.

Status	Number of cases (1)	Amount stated in statutory notice <sup>1</sup>		
		Deficiency in tax (2)	Penalty (3)	Overassessment (4)
In thousands of dollars				
Pending at beginning of year.....	10,920	574,031	115,707	40,729
Received during year:				
Cases considered before petition.....	1,977			
Cases not considered before petition.....	2,403			
Cases reopened after trial.....	53			
Total receipts.....	4,433	232,003	32,605	-640
Disposed of during year:				
Closed by stipulation-agreed settlement.....	5,367	173,671	28,341	6,853
Closed by dismissal or default.....	300	3,993	1,388	76
Tried before the Tax Court on merits.....	1,191	54,823	8,513	838
Total disposed of.....	6,858	232,486	38,241	7,765
Pending at end of year:				
In hands of technical advisers.....	3,562	356,600	62,919	25,121
In hands of regional counsel.....	4,933	216,947	47,152	7,202
Total.....	8,495	573,547	110,071	32,323

<sup>1</sup> Includes amount of overassessments stated in statutory notice, and, in addition, overassessments in certain associated cases in the amount determined by the district director or the Appellate Division. For estate tax cases net amounts are used after deducting additional State tax credits allowable if substantiated.

TABLE 16.—Results obtained in income, profits, estate, and gift tax cases docketed in the Tax Court and disposed of by stipulation (agreed settlement), fiscal year 1954.

Item	Stipulations filed
Cases.....	number.....
Deficiency in tax.....	5,367
Penalty.....	64,071
Overassessment.....	10,306
Net deficiency and penalty.....	9,428
	64,952

TABLE 17.—Income, profits, estate, and gift tax cases docketed, stipulated, defaulted, and defended on the merits before the Tax Court, fiscal years 1940 to 1954, inclusive.

Fiscal year	Number docketed (1)	Number stipulated (2)	Number defaulted (3)	Number defended on the merits (4)
1940	4,240	3,383	267	1,301
1941	4,366	3,064	239	1,522
1942	3,676	2,517	175	1,269
1943	3,380	2,754	163	1,138
1944	3,178	1,964	180	927
1945	3,185	1,787	160	993
1946	2,777	1,787	142	873
1947	3,652	1,913	217	791
1948	4,402	2,526	458	949
1949	4,537	3,065	413	946
1950	5,362	2,732	419	956
1951	6,137	3,364	541	1,064
1952	6,870	3,326	596	1,002
1953	7,122	4,189	520	1,014
1954	4,194	5,465	300	1,191
Total	67,078	43,936	4,790	15,936

Source: For columns 1 and 2, data obtained from Tax Court records; for columns 3 and 4, data obtained from Appellate Division records.

TABLE 18.—Appellate Division receipt and disposal of compromise and final closing agreement cases, fiscal year 1954

Status	Compromise cases (1)	Final closing agreement cases (2)
	On hand, July 1, 1953	1,904
Received (net)	807	154
Disposals:		
Accepted, granted, or approved	437	124
Rejected	813	34
Withdrawn	224	
Transferred	611	
Total disposed of	2,085	158
On hand, June 30, 1954	626	25

TABLE 19.—Appellate Division receipt and disposal of nondocketed, docketed, and compromise cases (income, profits, estate, and gift taxes), fiscal years 1945-54

Type of case and status	Fiscal year									
	1945 (1)	1946 (2)	1947 (3)	1948 (4)	1949 (5)	1950 (6)	1951 (7)	1952 (8)	1953 (9)	1954 (10)
<b>NONDOCKETED CASES</b>										
Receipts	6,087	5,661	5,325	7,515	8,036	7,384	7,014	7,398	120,962	8,950
Dispositions	5,754	4,579	5,243	5,473	6,108	6,896	7,147	7,528	11,674	14,737
Inventory	4,718	5,800	5,882	7,924	9,852	10,340	10,207	10,077	19,365	13,578
<b>DOCKETED CASES</b>										
Receipts	3,181	2,745	3,332	4,598	4,624	5,335	6,115	6,434	7,677	4,433
Dispositions	2,922	2,816	2,986	3,879	4,484	4,097	4,941	4,971	5,763	6,858
Inventory	3,997	3,926	4,272	4,991	5,131	6,369	7,543	9,006	10,920	8,496
<b>COMPROMISE CASES</b>										
Receipts	960	787	1,075	1,629	2,434	3,810	3,862	3,184	1,742	807
Dispositions	815	702	863	1,293	1,942	2,327	3,348	3,445	3,263	2,085
Inventory	564	649	861	1,197	1,689	3,172	3,686	3,425	1,904	626
<b>TOTAL CASES</b>										
Receipts	10,228	9,193	9,732	13,742	15,094	16,529	16,991	17,016	130,381	14,190
Dispositions	9,491	8,097	9,092	10,645	12,534	13,320	15,436	15,944	20,700	23,686
Inventory	9,279	10,375	11,015	14,112	16,672	19,881	21,436	22,508	32,189	22,699

<sup>1</sup> Receipts of nondocketed cases for the fiscal year 1953 include 10,069 cases transferred from internal revenue agents' conference sections merged into the Appellate Division during 1953 under Reorganization Plan No. 1 of 1952.

TABLE 20.—Receipt and disposal of cases in the Tax Court, fiscal year 1954

Type of tax	Pending July 1, 1953		Filed or reopened		Disposed of		Pending June 30, 1954	
	Number (1)	Amount in dispute (2)	Number (3)	Amount in dispute (4)	Number (5)	Amount in dispute (6)	Number (7)	Amount in dispute (8)
	Income and profits	11,328	(Thousand dollars) 1,519,144	4,033	(Thousand dollars) 419,384	6,179	(Thousand dollars) 318,595	9,183
Estate and gift	689	93,357	354	27,776	428	31,260	615	89,873
Total	12,017	1,612,501	4,387	447,160	6,607	349,855	9,798	1,709,812

TABLE 21.—Results obtained in cases disposed of in the Tax Court, fiscal year 1954

Basis of closing	Number	Amount in dispute		Amount approved		Saved or recovered		
		Deficiency	Overpayment	Deficiency	Overpayment	Amount	Percent of amount in dispute	
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	
		(Thousand dollars)						
<b>Income and profits:</b>								
Dismissed.....	294	5,313	3,822	5,149	8	8,963	98.1	
Decision on merits.....	877	34,023	20,836	16,579	7,373	32,042	68.4	
Agreed settlement.....	5,008	175,394	79,208	68,010	9,636	137,682	64.0	
<b>Total.....</b>	<b>6,179</b>	<b>214,730</b>	<b>103,865</b>	<b>91,739</b>	<b>17,017</b>	<b>178,687</b>	<b>66.1</b>	
<b>Estate and gift:</b>								
Dismissed.....	6	68		68		68	100.0	
Decision on merits.....	63	3,365	121	977	38	1,016	29.1	
Agreed settlement.....	359	26,617	1,089	6,369	207	6,576	23.7	
<b>Total.....</b>	<b>428</b>	<b>30,049</b>	<b>1,210</b>	<b>7,414</b>	<b>245</b>	<b>7,659</b>	<b>24.5</b>	

TABLE 22.—Tax Court cases on review in Courts of Appeals or Supreme Court, fiscal year 1954

Type of tax	Pending July 1, 1953		Appealed during year		Disposed of during year		Pending June 30, 1954	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
		(Thousand dollars)		(Thousand dollars)		(Thousand dollars)		(Thousand dollars)
Income and profits.....	399	30,639	313	12,681	323	19,756	389	23,464
Estate and gift.....	20	9,515	15	59	16	8,544	19	1,030
<b>Total.....</b>	<b>419</b>	<b>40,154</b>	<b>328</b>	<b>12,641</b>	<b>339</b>	<b>28,300</b>	<b>408</b>	<b>24,494</b>

TABLE 23.—Receipt and disposition of Tax Court cases reviewed in Courts of Appeals or in Supreme Court, fiscal year 1954

Status	Number of cases
<b>IN COURTS OF APPEALS</b>	
Pending July 1, 1953:	
Appealed by Commissioner.....	85
Appealed by taxpayers.....	314
Appealed by both.....	17
<b>Total.....</b>	<b>416</b>
Appealed during year:	
By Commissioner.....	63
By taxpayers.....	245
By both.....	19
<b>Total.....</b>	<b>327</b>
Disposed of during year:	
Favorable to Commissioner.....	153
Favorable to taxpayers.....	106
Modified.....	20
Settled.....	4
Dismissed.....	64
<b>Total.....</b>	<b>336</b>
Pending June 30, 1954:	
Appealed by Commissioner.....	58
Appealed by taxpayers.....	324
Appealed by both.....	25
<b>Total.....</b>	<b>407</b>
<b>IN SUPREME COURT</b>	
Pending July 1, 1953:	
Appealed by taxpayers.....	3
Appealed during year:	
By Commissioner.....	1
Disposed of during year:	
Favorable to Commissioner.....	3
Pending June 30, 1954:	
Appealed by Commissioner.....	1

TABLE 24.—Receipt and disposal of suits filed by taxpayers in Federal courts, fiscal year 1954

Courts	Pending July 1, 1953 <sup>1</sup>		Received during year		Closed during year <sup>2</sup>		Amount re-funded	Percentage re-funded	Pending July 1, 1954 <sup>3</sup>	
	Number	Amount in dispute	Number	Amount in dispute	Number	Amount in dispute			Number	Amount in dispute
	(1)	(2)	(3)	(4)	(5)	(6)			(7)	(8)
		(Thousand dollars)		(Thousand dollars)		(Thousand dollars)				(Thousand dollars)
Court of Claims.....	405	70,489	167	78,630	95	30,647	1,317	4.3	477	118,471
District courts.....	2,533	76,101	822	67,264	779	28,311	8,207	28.9	2,576	115,964
<b>Total.....</b>	<b>2,938</b>	<b>146,590</b>	<b>989</b>	<b>145,894</b>	<b>874</b>	<b>58,958</b>	<b>9,525</b>	<b>16.2</b>	<b>3,053</b>	<b>233,526</b>

<sup>1</sup> Includes 8 processing tax cases; 1 pending in Court of Claims, \$46,207 in dispute; 7 pending in district courts, \$206,003 in dispute.

<sup>2</sup> Includes 1 processing tax case in Court of Claims \$46,207 in dispute, \$40,689 refund.

<sup>3</sup> Includes 7 processing tax cases pending in district courts, \$266,003 in dispute.

NOTE: Suits filed by taxpayers are primarily suits for refund of taxes or to enjoin the collection of taxes (other than those relating to alcohol, tobacco, and firearms taxes).

TABLE 25.—Receipt and disposal of claims pending and suits filed by the United States in Federal and State Courts, fiscal year 1954

Status	In suit (1)	Not in suit (2)	Total (3)	Amount in dispute (4)	Amount recovered (5)	Percent recovered (6)
	Number			In thousands of dollars		
Pending July 1, 1953.....	439	489	928	45,070		
Received during year in suit and for institution of suit.....	121	291	412	257		
Total.....	560	780	1,340	45,327		
Suits instituted during year.....	189	189				
Total to be accounted for.....	749	591	1,340	45,327		
Closed during year.....	177	132	309	1,761	259	14.7
Pending July 1, 1954.....	572	459	1,031	43,566		

NOTE.—Claims and suits by the United States are primarily suits to collect taxes or to recover erroneous refunds (other than those relating to alcohol, tobacco and firearms taxes).

TABLE 26.—Receipt and disposal of lien cases, fiscal year 1954

Status	Cases in court <sup>1</sup>		Cases not in court <sup>2</sup>	
	Number (1)	Amount collected (2) <i>(Thousand dollars)</i>	Number (3)	Amount collected (4) <i>(Thousand dollars)</i>
Pending July 1, 1953.....	1,312		284	
Instituted or received during year.....	1,376		847	
Total to be disposed of.....	2,688		1,131	
Disposed of during year:				
Closed.....	1,071	829	1,033	3,034
Transferred to Regional Counsel.....			10	
Total disposed of during year.....	1,071	829	1,043	3,034
Pending June 30, 1954.....	1,617		88	

<sup>1</sup> Primarily suits for foreclosure or to quiet title by mortgagees and other secured creditors, to which the United States is made a party.

<sup>2</sup> Primarily applications for discharge of property from tax liens.

TABLE 27.—Receipt and disposal of insolvency and debtor proceedings, fiscal year 1954

Status	Reorganization proceedings <sup>1</sup> (1)	Bankruptcy and receivership proceedings <sup>2</sup> (2)	Miscellaneous insolvency proceedings <sup>3</sup> (3)	Total (4)
Cases pending July 1, 1953.....	1,301	7,029	4,769	13,099
New cases received.....	1,094	5,494	2,406	8,995
Cases received by transfer <sup>4</sup> .....	18	312	2	331
Total cases received.....	1,112	5,806	2,408	9,326
Cases disposed of during year:				
Closed.....	1,010	5,522	2,493	9,026
Transferred.....	296	19	17	331
Decentralized.....	495	6,900	3,907	11,302
Transferred to Regional Counsel.....	191	12	7	210
Total disposed of.....	1,992	12,453	6,424	20,869
Cases pending June 30, 1954.....	421	382	753	1,556

<sup>1</sup> Proceedings instituted under the following sections or chapters of the Bankruptcy Act: secs. 75 (agricultural compositions and extensions) and 77 (railroad reorganizations) and chs. X (corporate reorganizations), XI (arrangements of unsecured indebtedness), XII (real property arrangements), and XIII (wage-earners' plans) which involve tax claims and other rights and interests of the United States.

<sup>2</sup> Strict bankruptcy proceedings and Federal or State receivership proceedings which involve tax claims of the United States.

<sup>3</sup> Proceedings relating to corporate dissolutions, insolvent banks, assignments for the benefit of creditors or administration of estates of decedents which involve tax claims of the United States.

<sup>4</sup> Proceedings transferred from reorganization to bankruptcy and receivership (295), from reorganization to miscellaneous insolvency proceedings (1), from bankruptcy and receivership to reorganization (18), from bankruptcy and receivership to miscellaneous insolvency (1), and from miscellaneous insolvency to bankruptcy and receivership (17).

TABLE 28.—Results obtained in insolvency and debtor proceedings closed, fiscal year 1954

Type of proceeding and character of closing	Number of cases (1)	Amount claimed (2)	Amount collected (3)	Percent collected (4)
Reorganization proceedings: <sup>1</sup>		In thousands of dollars		
Payment.....	655	7,094	4,932	69.5
Uncollectible.....	66	270		
Abatement.....	2	139		
No amount due.....	189			
Other.....	98	333		
Total.....	1,010	7,836	4,932	62.9
Bankruptcy and receivership proceedings <sup>2</sup> .....	5,522	17,924	3,928	21.9
Miscellaneous insolvency proceedings: <sup>3</sup>				
Payment.....	1,875	24,980	20,732	83.0
Compromise.....	149	4,657	1,621	34.8
Uncollectible.....	365	2,043		
Abatement.....	45	344		
Barred by limitations.....				
Other.....	59	736		
Total.....	2,493	32,760	22,354	68.2
Grand total.....	9,025	58,520	31,214	53.3

<sup>1</sup> See footnote 1, table 27.

<sup>2</sup> See footnote 2, table 27.

<sup>3</sup> See footnote 3, table 27.

*Cost of  
Administration*

*Tables 29-30*

TABLE 29.—Obligations incurred by the Internal Revenue Service, fiscal year ended June 30, 1954

Internal Revenue office, district, or region	Salaries	Travel	Rent and utility services	Com-muni-cations services	Supplies and equip-ment	Other <sup>1</sup>	Total
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
In thousands of dollars							
<b>A. NATIONAL OFFICE AND REGIONAL TOTALS (INCLUDING DIRECTORS' OFFICES)</b>							
<b>Total, Internal Revenue Service.</b>	<b>241, 103</b>	<b>5, 754</b>	<b>2, 686</b>	<b>5, 364</b>	<b>3, 550</b>	<b>10, 511</b>	<b>268, 969</b>
National office	15, 858	176	170	3, 586	639	8, 084	31, 513
Boston region	15, 481	332	41	145	149	103	16, 252
New York City region	32, 297	282	713	269	363	475	34, 400
Philadelphia region	31, 920	530	178	203	392	273	33, 496
Cincinnati region	25, 550	731	349	206	331	289	28, 455
Atlanta region	20, 474	842	64	149	310	311	22, 150
Chicago region	28, 242	507	569	253	297	227	30, 095
Omaha region	22, 266	839	320	157	336	216	24, 134
Dallas region	17, 342	719	95	137	281	220	18, 796
San Francisco region	27, 674	796	186	259	452	313	29, 680
<b>B. REGIONAL OFFICES (EXCLUDING DIRECTORS' OFFICES)</b>							
Boston region	1, 975	58	9	24	40	31	2, 139
New York City region	5, 142	109	5	49	88	64	5, 457
Philadelphia region	5, 564	179	31	36	268	128	6, 207
Cincinnati region	5, 551	206	172	36	226	153	6, 344
Atlanta region	3, 699	219	26	38	146	152	4, 279
Chicago region	3, 779	102	60	50	94	60	4, 146
Omaha region	2, 869	184	209	33	107	103	3, 507
Dallas region	2, 765	144	4	27	73	87	3, 100
San Francisco region	4, 334	242	79	46	99	125	4, 925
<b>C. DISTRICT DIRECTORS' OFFICES</b>							
Boston region:							
Augusta	1, 078	53		11	11	8	1, 164
Boston	6, 710	98	(?)	61	47	30	6, 945
Burlington	484	25		7	5	5	525
Hartford	3, 263	58		26	24	17	3, 389
Fortsouth	740	25		6	8	5	811
Providence	1, 231	14		12	13	7	1, 280
New York City region:							
Albany	2, 554	49	(?)	14	35	15	2, 667
Brooklyn	6, 234	20		84	41	26	6, 463
Buffalo	3, 011	37		19	46	14	3, 314
Lower Manhattan	5, 877	20		22	42	18	6, 030
Syracuse	1, 757	37		12	13	10	1, 845
Upper Manhattan	7, 723	10		403	90	70	8, 624
Philadelphia region:							
Baltimore	5, 733	58		10	49	20	5, 900
Camden	1, 719	39		9	12	13	1, 793
Newark	5, 251	43		193	44	25	5, 527
Philadelphia	7, 018	97		25	40	12	7, 238
Pittsburgh	4, 234	58		3	14	12	4, 340
Scranton	1, 727	40		4	8	5	1, 791
Wilmington	674	16		1	3	3	699
Cincinnati region:							
Cincinnati	2, 322	29		8	14	6	2, 388
Cleveland	4, 757	71		141	42	12	5, 059
Columbus	1, 380	34		4	10	6	1, 443
Toledo	1, 390	30		11	7	8	1, 447
Indianapolis	4, 019	91		2	31	23	4, 188
Louisville	2, 448	83		3	19	28	2, 594
Parkersburg	1, 625	64		11	9	15	1, 723
Richmond	3, 056	123		20	33	15	3, 268
Atlanta region:							
Atlanta	2, 836	114		9	17	45	3, 041
Birmingham	2, 241	76		4	17	21	2, 387
Columbia	1, 808	50		7	10	16	1, 899
Greensboro	2, 919	125		1	19	22	3, 122
Jackson	1, 290	72		5	10	14	1, 410
Jacksonville	3, 483	108		11	23	32	3, 685
Nashville	2, 697	78	(?)	19	17	16	2, 826

TABLE 29.—Obligations incurred by the Internal Revenue Service, fiscal year ended June 30, 1954—Continued

Internal Revenue office, district, or region	Salaries	Travel	Rent and utility services	Com-muni-cations services	Supplies and equip-ment	Other <sup>1</sup>	Total
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
In thousands of dollars							
<b>C. DISTRICT DIRECTORS' OFFICES—CON.</b>							
Chicago region:							
Chicago	9, 826	55	255	103	85	64	10, 387
Springfield	3, 282	109	159	23	40	24	3, 637
Detroit	7, 325	128	95	47	46	59	7, 699
Milwaukee	4, 029	114	1	29	33	21	4, 227
Omaha region:							
Aberdeen	707	44	3	4	8	5	769
Cheyenne	404	23		4	17	5	452
Denver	1, 941	44	1	19	19	12	2, 037
Des Moines	2, 746	85	16	14	32	12	2, 904
Fargo	650	39	34	5	6	6	740
Kansas City	2, 012	56	(?)	12	17	8	2, 106
St. Louis	2, 949	61		10	22	10	3, 062
Omaha	1, 810	71	(?)	9	26	18	1, 933
St. Paul	3, 722	110	3	28	21	18	3, 901
Wichita	2, 455	123	53	19	63	20	2, 732
Dallas region:							
Albuquerque	666	33	(?)	5	17	8	729
Austin	3, 950	167	54	30	47	48	4, 297
Dallas	4, 044	164	5	35	46	28	4, 322
Little Rock	1, 308	73	2	11	25	9	1, 427
New Orleans	2, 439	75	28	14	49	19	2, 624
Oklahoma City	2, 171	63	1	16	24	21	2, 296
San Francisco region:							
Boise	731	31	(?)	8	25	4	799
Helena	755	43	1	7	17	5	828
Honolulu	1, 054	27	1	11	17	16	1, 126
Los Angeles	7, 916	116	99	75	134	52	8, 392
San Francisco	6, 005	112	1	49	50	46	6, 263
Phoenix	812	27		8	13	5	865
Portland	1, 787	56	1	16	35	18	1, 893
Reno	500	19	3	3	17	8	550
Salt Lake City	871	21	(?)	5	19	4	922
Seattle	2, 928	100	2	31	27	29	3, 118

<sup>1</sup> Includes obligations for printing and reproduction, detail of which is shown in Table 30.  
<sup>2</sup> Less than \$500.

TABLE 30.—Cost of printing and binding for Internal Revenue Service, fiscal years 1953 and 1954

Class of work	Fiscal year			
	1953		1954	
	Quantity (1)	Cost (2)	Quantity (3)	Cost (4)
Tax return forms	(Thou-sands)	(Thousand dollars)	(Thou-sands)	(Thousand dollars)
Instructions (or tax returns)	778, 835	2, 462	871, 349	2, 801
Administrative forms	25, 337	151	29, 863	143
Reports, regulations, etc.	243, 381	766	258, 537	939
Letterheads, miscellaneous binding, etc.	779	252	1, 065	184
Reproductions	42, 024	119	14, 392	61
	13, 253	48	32, 820	130
<b>Total</b>	<b>1, 101, 608</b>	<b>3, 798</b>	<b>1, 208, 026</b>	<b>4, 258</b>