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(In Yen)

3) Harbor improvement expenditure.....	15,434,557
1. Office expenses.....	1,025,790
2. Working expenses.....	14,408,767
4) Road improvement expenditure.....	21,104,954
1. Subsidy to road improvement expenses.	5,761,194
2. Repairing highway expenses.....	5,793,760
3. Continuing expenses of repairing highways.....	9,550,000
5) Subvention to medium and small river improvement work.....	3,809,288
6) Subvention to local harbor improvement work	1,402,402
7) Expenditure for construction of seaside zone.....	2,250,000
8) Subvention to state and prefectural road improvement and city planning undertakings.	200,000
9) Expenditure for encouragement of aerial defense program.....	100,000
10) Hokkaido development expenditure.....	45,387,563
1. Land exploitation expenses.....	1,340,458
2. Forest expenses.....	20,358,935
3. Industry expenses.....	6,449,584
4. Land improvement expenses.....	2,916,736
5. Road expenses.....	3,975,389
6. Main road improvement expenses.....	550,000
7. River expenses.....	917,241
8. Riparian work expenses.....	3,290,000
9. Harbor expenses.....	4,404,805
10. Colonists railroad expenses.....	322,678
11. Subsidy for railroad and trace expenses.	702,412
12. Investigation expenses.....	159,325
11) Construction and repair expenditure.....	260,822
1. New construction expenses.....	206,700
2. Repairing expenses	54,122

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(In Yen)

12) Investigation expenditure.....	724,537
1. Public works investigating and experimenting expenses.....	289,038
2. River improvement work investigation expenses.....	244,307
3. City planning investigation expenses	65,074
4. Local planning investigation expenses.	113,400
5. Local system and financial conditions investigation expenses.....	12,718
13) Expenditure for Grand Shrine reconstruction commissioner's office.....	2,000,000
1. Office expenses.....	76,412
2. Construction expenses.....	1,923,588
14) Temporary expenditure for various shrines.	566,408
15) Temporary shrine expenses.....	1,166,000
1. Office expenses.....	69,515
2. Construction expenses.....	1,096,485
16) Expenditure for investigation of Shinto shrines and training of Shinto priests.	13,087
17) Expenditure for special police facilities.	2,116,083
18) Okinawa prefecture development expenditures.	599,877
1. Office expenses.....	248,177
2. Kokubagawa repairing expenses.....	45,000
3. Road improvement expenses.....	130,000
4. Second period of repairing expenses of Nawa Harbor.....	108,200
5. Repairing expenses of Chosuiko (harbor)	32,300
6. Repairing expenses of Ishigaki Harbor.	36,200
19) Expenditure for development of Oshima District Kagoshima Prefecture.....	176,200
1. Road improvement expenses.....	60,000
2. Repairing expenses for Nase Harbor.	57,500
3. Repairing expenses for Kitoku Harbor	29,600
4. Repairing expenses for Wahaku Harbor	29,100
20) Expenditure for fishery undertakings in Ogasawara Island and seven islands of Izu.....	37,055
1. Expenditure for fishery undertakings in Ogasawara Islands.....	24,823

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(In Yen)

2. Expenditure for fishery undertakings in Seven Islands in Izu.....	12,232
21) Temporary expenditure for prefectural offices.....	11,065,484
22) Expenditure for mobilization work and national spiritual mobilization.....	325,684
23) Expenditure for China Affairs conferment of rewards for services.....	131,916
24) Subventions and replenishment to officials of towns and villages.....	5,700,000
25) Subventions to facilities that extend aid to town and village officials...	1,000,000
26) Expenditure for advancement of constitutional government and local self-government system.....	150,000
27) Expenditure for development of communities	1,200,000
28) Post-quake rehabilitation work expenditure (sand arrestation work on Sagami River and four other rivers).....	72,021
29) Subvention to Post Fire-disaster reconstruction work in Hakodate.....	145,527
30) Subvention to Post fire-disaster reconstruction work in Shizuoka.....	805,094
31) Expenditure for Post-flood reconstruction work in Kobe.....	5,341,534
32) Natural disaster relief expenditure...	26,390,869
1. Natural disaster relief travelling expenses.....	157,420
2. Grants-in-aid for material of public works for natural disaster relief.....	24,588,259
3. Subsidy for natural disaster public works relief.....	959,979
4. Expenditure for reconstruction of roads, bridges, etc., destroyed by fire and other disasters in Hokkaido.....	685,211

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(In Yen)

TOTAL EXTRAORDINARY EXPENDITURES OF THE MINISTRY OF HOME AFFAIRS..... 214,378,445 *

MINISTRY OF FINANCE

1) Construction and repair expenditure..... (Construction of new building of central government offices and other public offices).	31,820,156
2) Investigation expenditure..... (Temporary capitalized pension measure investigation, temporary taxation system investigation, profit sharing investigation, national census, house rental investigation, etc.)	5,563,925
3) Subsidies.....	7,255,700
1. Subsidy to propaganda work for inviting foreign tourists.....	400,000
2. Subsidy to a people's treasury.....	393,000
3. Subsidy to Wartime Material Utilization Association.....	100,000
4. Subsidy to East Asia Economic Forum Society.....	150,000
5. Subsidy to all central credit associations (lottery).....	1,800
6. Subsidy to credit associations of cities and towns.....	900
7. Subsidy to Pension Treasury.....	40,000
8. Subsidy to Northeastern District Industrial Science Research Institute.....	20,000
9. Subsidy to Picture Association.....	100,000
10. Subsidy to Nippon News Movie Company....	100,000
11. Subsidy to International Culture Work....	1,100,000
12. Subsidy to East Asia Research Institute..	850,000
13. Subsidy to investigate raw materials.....	4,000,000
4) Temporary Financial and Economic Investigation and Adjustment Expenditure.....	652,472
5) Gold Production Control Expenditure.....	714,588
6) Subvention to cover principal and interest on 4 per cent China loan.....	2,643,879

* The items listed under the Ministry of Home Affairs total 213,378,445 yen as listed here. The discrepancy of 1,000,000 yen is unexplained.

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(In Yen)

7) Supplementary aid to loan made for shipbuilding.	1,843,649
8) Fraction of "Rokudaka Seiri" loan.....	335
9) Small amount paper currency printing expenditure.....	3,280,000
10) Amount to be forwarded to change consolidated convertible bank notes.....	1,000,000
11) Service allowances and other temporary additional allowances.....	238,990
12) Temporary foreign exchange control expenditure.	591,294
13) Expenditure for the compilation of History of Finance.....	13,666
14) Corporation Bureau Expenditure.....	391,984
15) Cabinet's temporary miscellaneous expenditures.....	5,132,747
16) Northeastern district development expenditures.....	52,259
17) Replenishment to Special Account (Kwantung Office expenditure).....	13,005,217
18) Grants-in-aid to special companies for development of northeastern district.....	2,694,247
19) Expenditure for conferment of rewards for services in the China Incident.....	2,727,862
20) Cabinet Asia Promotion Administrative Ex- penditure (salaries, office expenses, and secret funds).....	25,771,010
21) Cabinet Asia Promotion Cultural undertakings expenditure.....	20,000,000
22) China Weather observation expenditure.....	1,079,550
23) Expenditure for celebration of 50th anniversary of promulgation of the constitution.....	28,500
24) Temporary expenditure for Board of Audit.....	149,371
25) Thrift encouragement expenditure.....	2,114,529

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(In Yen)

26) State-owned property adjustment expenditure...	609,337
27) Post-quake reconstruction and new official buildings expenditure.....	300,000
28) Custom Houses Temporary Control expenditure...	289,075
29) Temporary profit tax collection expenditure...	2,498,435
30) Taxation Bureau expenditure.....	1,126,134
31) Transfer from temporary military expenditure special account.....	670,000,000
32) Expenditures for disaster.....	1,080,000
TOTAL OF EXTRAORDINARY EXPENDITURES OF MINISTRY OF FINANCE.....	804,667,911 *
<u>Ministry of War</u>	
1) Construction and repair expenditure.....	1,304,687
1. Construction expenses.....	887,628
2. Repair expenses.....	417,059
2) National Defense Replenishment Expenditure....	311,152,881
1. Fort adjustment expenditure.....	5,679,057
2. Arms and other adjustment expenditure....	305,473,824
3) Land and building adjustment expenditure.....	51,836
4) Survey expenditure.....	260,000
5) Post-quake rehabilitation expenditure.....	1,748,870
1. Rehabilitation expenditure of buildings used by various detachments and of others.....	408,250
2. Rehabilitation expenditure for quake- proof buildings.....	848,238
3. Rehabilitation expenditure of military arsenals and buildings.....	492,382

* The Ministry of Finance items as listed total 804,595,911 yen.
The discrepancy of 72,000 yen is unexplained.

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(In Yen)

6) Target practice and drilling ground adjustment.....	3,890,404
7) Land and building utilization expenditure.....	168,357
8) Map making expenditure.....	444,750
9) Temporary pecuniary award.....	175,690
10) Encouragement of military automobile manufacturing.....	138,002
11) Subvention to Imperial Army Reservists Association.....	700,000
12) Expenses for the reorganization of aviation corps, etc.	528,100,968
13) Military equipment improvement expenditure....	207,404,783
14) Service allowances and other temporary additional allowances.....	957,867
15) Indemnifications.....	149,400
16) Allowance-in-aid for medical supplies to be used for military conscription examination..	526,500
TOTAL OF EXTRAORDINARY EXPENDITURES OF THE MINISTRY OF WAR.....	1,057,174,995

Ministry of the Navy

1) Warship construction expenditure.....	424,174,897
2) Land and water adjustment expenditure.....	185,349,000
1. Office expenses.....	3,752,778
2. Factory equipment expenditure.....	133,096,858
3. Defense corps expenses.....	24,854,035
4. Miscellaneous expenses for naval stations.	6,460,665
5. Expenditure for educational facilities....	11,732,264
6. Hospital expenses.....	5,452,400
3) Aviation corps expenses.....	84,262,000

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(In Yen)

4) Warship improvement expenses.....	42,075,000
1. Warship remodeling expenses.....	27,345,000
2. Warship special repair expenses.....	12,300,000
3. Submarine second battery installation expenditure.....	1,670,000
4. Expenditure for construction of vessels for temporary use.....	760,000
5) Munitions expenditure.....	9,837,600
6) Construction and repair expenses.....	962,462
1. Construction expenses.....	112,062
2. Repair expenses.....	75,000
3. Expenditure for trial boring of oil fields	500,000
4. Expenditure for construction of factories for hydrographical equipments and other buildings.....	250,000
5. Expenditure for construction of buildings at various places for the study of sea currents.....	25,400
7) Repairs contracted.....	2,773,129
8) Expenditure for making and selling of maps and pamphlets.....	201,703
9) Expenditure for research (study of ship machinery and arms).....	18,317,476
10) Pecuniary awards.....	328,040
11) Post-quake rehabilitation expenses (rehabilitation of arms, etc.).....	200,000
12) Expenditure for preparations of maps and pamphlets on high altitude meteorological observation.....	50,013
13) Service allowances and other temporary additional allowances.....	657,607
14) Transfer to special account fund.....	7,500,000
1. Transfer to naval arsenal fund.....	5,000,000
2. Transfer to naval gunpowder factory transportation fund.....	500,000

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(In Yen)

3. Transfer to naval fuel factory transportation fund..... 2,000,000

TOTAL EXTRAORDINARY EXPENDITURES OF THE MINISTRY OF THE NAVY 776,688,927

Ministry of Justice

1) Law investigation expenditure..... 41,136
 2) Construction and repair expenditure..... 690,908
 3) Special arrangements for prevention and suppression of offences relating to thoughts..... 1,140,866
 4) Expenditure relating to official mediation in monetary disputes..... 804,157
 5) Temporary prison expenditure..... 2,187,517
 6) Expenditure for reform and improvement of judicial police system..... 300,000
 7) Expenditure for mediation in tenant-farmers' disputes and registration for maintenance of agricultural farms under proprietary farmers..... 171,663
 8) Expenditure dealing with mediation of problems of human relations..... 186,081
 9) Temporary economic control expenditure..... 81,669
 10) Temporary transportation (to foreign countries) expenditure..... 20,240
 11) Special retiring pecuniary awards..... 200,000
 TOTAL EXTRAORDINARY EXPENDITURES OF MINISTRY OF JUSTICE..... 5,824,237

Ministry of Education

1) Construction and repair expenses..... 10,271,804
 2) Expenditure for compilation of history of the Meiji Restoration..... 105,000

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(In Yen)

3) Expenditure for temporary weather observatory technician training institute..... 64,157
 4) Temporary investigation expenditure..... 421,488
 (expenditure for compilation of history of institutions relating to Imperial Household, investigation of industrial education, of textbooks used in blind and mute schools, middle schools and others).
 5) Expenditure for temporary training institutes 542,000
 6) Subsidies to various institutions..... 3,849,631
 7) Post-quake reconstruction and rehabilitation expenditure (Imperial University and other buildings)..... 954,190
 8) Expenditure for social education facilities... 80,000
 9) Temporary expenditure for preservation of national treasures (expenditures for preservation of Himeji Castle and other buildings)..... 206,863
 10) Temporary expenditure for preservation of historic remains..... 54,959
 11) Expenditure for investigation and control of valuable art objects, etc..... 18,896
 12) Temporary expenditure for common education.... 1,135,000
 13) Temporary expenditure for training of industrial technicians..... 2,739,974
 14) Temporary expenditure for education of young men..... 373,500
 15) Expenditure for education and religious reforms..... 91,500
 16) Temporary outlays for new equipment for Tokyo Dental College, Veterinary College, etc. ... 233,400
 17) Grants-in-aid of payment of principal and interest on borrowings for reconstruction of primary school buildings in cities, towns, and villages (devasted by natural disasters) 392,771

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(In Yen)

18) Expenditure for investigation of historic remains of Emperor Jimmu and construction of museum of natural history.....	13,707
19) Expenditure for those studying abroad and other temporary additional allowances.....	70,722
20) Expenditure for dispatch of young men service corps abroad.....	865,659
21) Expenditure for temporary training of school teachers.....	234,125
22) Natural disaster relief expenditures (new equipments for central Meteorological Observatory and replacing other equipments damaged by fire).....	508,115
23) Temporary expenditure for Imperial Universities, other government universities and libraries.	7,852,140

TOTAL EXTRAORDINARY EXPENDITURES OF THE
MINISTRY OF EDUCATION..... 31,079,601

Ministry of Agriculture and Forestry

1) Industrial Encouragement expenditure.....	95,115,988
2) Investigation and control expenditure.....	3,597,487
3) Investigation and research expenditure.....	2,056,055
4) Expenditure for economic rehabilitation of agricultural communities.....	9,170,203
5) Temporary arrangements for agricultural communities.....	17,843,290
6) Expenditure for control of fees imposed on tenant farmers.....	278,354
7) Subsidy to autonomous control of rice grains..	96,726
8) Expenditure for facilities dealing with insurance of various enterprises (i.e., farming, fishing, livestock husbandry, forestry, etc.,).....	2,837,698
9) Livestock epidemics and parasites prevention expenditure.....	1,349,549

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(In Yen)

10) Expenditure for prevention of natural disaster damage.....	10,621,892
11) Forestry and riparian expenditure.....	6,478,647
12) Expenditure for anti-natural disaster forestry undertakings.....	1,709,388
13) Expenditure for land reclamation work (tohoku districts and others).....	1,062,160
14) Expenditure for afforestation in state-owned forests.....	2,234,785
15) Expenditure for protection of fur-seals, sea otters, etc.....	220,412
16) Expenditure for operation of Japan-Soviet Russia Fishery Convention.....	46,581
17) Expenditure for investigation of rivers and other waterway control system.....	56,586
18) Construction and repair expenditure.....	755,479
19) Expenditure for development of Okinawa Prefecture.....	1,393,398
20) Expenditure for development of Oshima District in Kagoshima Prefecture.....	384,868
21) Subvention to northeastern districts where there are state-owned forests.....	204,334
TOTAL EXTRAORDINARY EXPENDITURES OF THE MINISTRY OF AGRICULTURE AND FORESTRY.....	158,513,980 *

Ministry of Commerce and Industry

1) Expenditure for development of foreign trade.....	16,448,718
2) Expenditure for expediting self-supply of liquid fuel.....	28,443,057
3) Expenditure for development of industrial arts.....	503,843

* The items as listed here for the Ministry of Agriculture and Forestry total 157,513,880 yen. The discrepancy of 1,000,000 yen is unexplained.

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(In Yen)

4) Monetary accommodation for medium and small commercial and industrial men.....	355,796
5) Expenditure for development of medium and small commercial houses.....	492,209
6) Expenditure for development of medium and small industrial houses.....	529,152
7) Encouragement of industries.....	5,270,549
8) Encouragement of mining industry.....	4,175,436
9) Encouragement of iron-steel industry.....	4,271,558
10) Encouragement of inventions, gold production, etc.....	14,066,286
11) Factory guidance expenditure.....	581,144
12) Investigation and experiment expenditure.....	1,219,285
13) Construction and repair expenditure.....	3,381,834
14) Temporary expenditure for adjustment of the Mining Supervision Bureau.....	236,716
15) Expenditure for temporary examination of the Patent Bureau, and for trial and disposition.....	320,084
16) Expenditure for development of Okinawa Prefecture.....	23,940
17) Grants-in-aid for development of Oshima district Kagoshima Prefecture.....	30,072
18) Subsidy to Imperial Fuel Industrial Joint Stock Company.....	3,128,224
19) Temporary funds adjustment expenditure.....	83,357
20) Gold production control expenditure.....	57,301

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(In Yen)

21) Expenditure for development of industries for manufacture of articles to be used as substitutes, and for recovery and utilization of resources.....	1,434,369
22) Commodity price adjustment expenditure.....	975,938
23) Expenditure for relief of medium and small commercial and industrial men called for military service.....	725,365
24) Temporary materials adjustment expenditure....	1,222,641
25) Expenditure for temporary transfer of occupation.....	4,878,869
26) Temporary economic control measure expenditure.	200,000
27) Indemnification of losses sustained by Japanese Gold Production Development Joint Stock Company.....	4,820,000
28) Salary, wage, and allowance control expenditure.....	8,640
29) Expenditure for examination and restriction of textile goods.....	432,711
30) Expenditure for increased production of coal..	87,466,290
31) Re-indemnification of losses of capital loan for re-establishment of medium and small commercial and industrial houses in district damaged by fire.....	28,746
32) Service allowances and other temporary additional allowances.....	21,877
TOTAL EXTRAORDINARY EXPENDITURES OF THE MINISTRY OF COMMERCE AND INDUSTRY.....	185,834,007

Ministry of Communications

1) Subsidies, subventions, and bounties (to standardization of electrical supplies, seamen's relief, training, and employment enterprises, encouragement of air transportation, etc.).....	44,429,772
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	(In Yen)
2) Expenditures for National Mobilization.....	438,152
3) Expenditure for utilization of electricity in farming communities and improvement thereof.....	113,121
4) Temporary expenditure for hydro-electric power investigation.....	399,869
5) Expenditure for installation of electric power.....	33,392
6) Subvention for installation of electricity to gold mines	2,413,075
7) Temporary expenditure for Electricity Research Institute	362,851
8) Expenditure for investigation of materials for shipbuilding	13,821
9) Investigation of ships, etc.	55,181
10) Subsidiary grants-in-aid of shipbuilding fund	2,571,370
11) Subsidiary grants-in-aid to recover losses sustained in the China Incident	141,620
12) Expenditure for temporary control of ships....	160,655
13) Expenditure for temporary training of high class seamen	216,373
14) Expenditure for construction and repair of beacons, weather observations, air defense beacons, etc.	955,986
15) Expenditure for temporary training of airmen..	3,675,000
16) Expenditure for facilities for the training of airmen	18,370,062
17) Expenditure for establishment and adjustment of aerodromes	1,642,854
18) Expenditure for aviation testing	216,559
19) Expenditure for safety facilities of aviation.	1,122,145
20) Expenditure for preparation to establish Central Aviation Research Organ.....	7,800,000

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	(In Yen)
21) Indemnification to aviation	3,837,263
22) Expenditure for preparations to establish international air routes	102,500
23) Grants-in-aid to Nippon Hassoden Kabushiki Kaisha's dividends	15,714,000
24) Expenditure for preparations to establish Shipping Research Organ	43,465
25) Construction and repair expenses	284,498
26) Expenditure for tools, machines and equipment.	126,400
TOTAL EXTRAORDINARY EXPENDITURES FOR MINISTRY OF COMMUNICATIONS	105,239,984

Ministry of Overseas Affairs

1) Immigrant Training Institute expenditure	98,531
2) Expenditure for temporary investigation of emigrants and overseas colonization undertakings	178,232
3) Expenditure for protection and encouragement of emigrants and overseas colonization abroad	4,017,441
4) Expenditure for emigration and colonization of Manchukuo	49,842,527
5) Expenditure for Young Men Service Corps	472,932
6) Overseas Colonization Investigation Committee expenditure	13,500
7) Cotton and wool resources exploitation expenditure	784,856
8) Various expenditures dealing with temporary economic control	95,898
9) Subsidy to Colonization Encouragement Institute	18,000

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(In Yen)

10) Transfer to Special Account for Chosen, Taiwan, and Karafuto expenditures	21,450,945
11) Service allowance and other additional allowances	9,227
TOTAL EXTRAORDINARY EXPENDITURES OF MINISTRY OF OVERSEAS AFFAIRS	76,982,089

Ministry of Welfare

1) Subsidies (to prefectures, water works, hospital fund, public pawn broker shops, study of population problems, study of labor wages, etc.)	4,963,836
2) Construction and repair expenses	1,389,533
3) Miscellaneous investigation expenditure (system of medical care, occupational fitness, people's medical care, house rentals, etc.)	409,694
4) National General Mobilization expenditure (registration of doctors, pharmacists, and other professions, people's registry, wage control, etc.)	4,381,362
5) National parks expenditure	53,193
6) Physical development expenditure	1,491,705
7) National physical culture supervision expenditure	3,297,424
8) Sanitary Affairs Expenditure medicine manufacture, opium purchase, cultivation of medical plants, encouragement or health preservation, prevention of tuberculosis, etc.	4,679,270
9) Infectious diseases prevention expenditure ...	1,690,182
10) Specific diseases prevention expenditure	32,000

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(In Yen)

11) Expenditure for fostering of sound thoughts relating to superiority of race and protection of children	129,100
12) Medical relief expenditure	300,000
13) Expenditure for various undertakings	352,539
14) Local districts improvement expenditure	1,505,460
15) Expenditure for control of land and house rentals, and for emergency measures to supply residential quarters	125,088
16) Expenditure for prevention of fire and other incidents in factories, and encouragement of sanitary provisions in factories and mining industry	38,353
17) Expenditure for temporary measures dealing with labor	2,642,455
18) Employment agencies expenditure	3,035,076
19) Labor mobilization expenditure	2,714,278
20) Expenditure for temporary facilities dealing with unemployment	209,641
21) Subvention to relief and protection of military men	42,953,979
22) Okinawa Prefecture development expenditure (leper settlement and preservation of health)	249,484
23) Expenditure for fresh foodstuffs distribution and price control	10,254
24) Various expenditures for China Incident awards	10,240
25) Expenditure for national gymnastic games of Meiji Shrine	250,000
26) Expenditure for people's medical treatment	1,027,250

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	(In Yen)
27) Expenditure for development of Oshima district in Kagoshima Prefecture (Leper settlement).	28,756
28) Expenditure for special installments for prevention of tuberculosis in the Hokuriku district.....	392,033
29) Expenditure for establishment of group management of residences.....	30,000
30) Expenditure for enforcing labors' pocket ledger system.....	1,011,376
TOTAL EXTRAORDINARY EXPENDITURES FOR MINISTRY OF WELFARE.....	79,393,561 *
TOTAL EXTRAORDINARY EXPENDITURES.....	3,542,419,855
GRAND TOTAL OF ORDINARY & EXTRAORDINARY EXPENDITURES.....	6,863,261,210

* The Ministry of Welfare items listed here total 79,403,561 yen. The discrepancy of 10,000 yen is unexplained.

TABLE B. CONTINUING EXPENDITURES
(In Yen)

	Total amount including additional amount	Already Expended	For 1941-42
<u>FOREIGN MINISTRY:</u>			
Building expenditures for consulates-general and consulates in China..	2,279,896	1,438,506	528,690
Construction of Shanghai Consulate-General, official residence, etc.	4,366,942	400,000	837,000
Construction of Consulate-General at Haikow.....	692,792	200,000	50,000
Construction of Consulate-General and official residence at Hanoi.....	1,036,265	-	300,000
<u>HOME MINISTRY:</u>			
Civil engineering works	1,056,234,028	655,446,412	34,410,909
Improvement of harbors...	254,587,562	122,360,678	15,434,557
Improvement of national roads.....	123,526,334	23,892,657	9,550,000
Seaside zone construction works.....	51,510,000	500,000	2,250,000
Land improvements in Hokkaido.....	54,523,075	51,398,986	2,916,736
Improvements of trunk railroads in Hokkaido....	9,089,074	1,139,074	550,000
Flood control in Hokkaido.....	101,774,344	62,100,906	3,290,000
Harbor improvement in Hokkaido.....	104,786,354	86,063,947	4,404,805
Ise Shrine construction expenses.....	19,900,000	-	2,000,000
Contingent repairs, etc., of shrines.....	9,841,200	5,859,600	1,166,000
Kokuba River repair works.....	434,273	200,000	45,000
Naha harbor second period construction work.....	1,517,313	971,562	108,200
Chosui harbor construction works.....	319,882	117,179	32,300

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(In Yen)

Ishigaki harbor construction works.....	378,550	50,000	36,200
Nase harbor construction works.....	1,061,786	419,421	57,500
Kitoku harbor construction works.....	406,101	156,858	29,600
Wahaku harbor construction works.....	230,984	97,230	29,100
Omote Rokko River improvement works.....	30,789,224	5,312,784	3,304,400

FINANCE MINISTRY:

Construction expenses of various central government Barracks, etc., construction expenses for special use of members of House of Representatives.....	64,388,493	51,756,215	677,250
Construction work of Tokyo Branch Office of the Mint, and other expenses.	4,150,000	1,500,000	1,000,000
Construction expenses of factory of the printing bureau.....	27,616,433	4,600,000	12,016,433
Construction expenses of alcohol manufacturing factory of Monopoly Bureau.....	6,794,960	1,500,000	300,000
Repairs and expenses for equipments of Kobe Custom House's landing place....	10,309,607	10,147,374	50,000
Construction expenses of Foreign Affairs Office...	900,000	-	450,000
Construction expenses of students' building of Navy Surgeon School.....	370,000	-	300,000
Construction expenses of Public Procurator's Office Building of Tokyo Criminal Local Court	549,414	209,423	20,000

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(In Yen)

Construction expenses of physician's Office of the Tokyo Higher Dental Medical School.....	1,140,219	300,000	300,000
Establishment expenses of Nagoya Imperial University.....	5,013,407	300,000	650,000
Construction expenses of Higher Industrial School.	3,398,224	1,330,000	1,200,000
Construction expenses of Veterinary College.....	1,800,000	-	600,000
Construction expenses of cattle-disease investigation place.....	631,916	454,671	100,000
Construction expenses of government office of Fiber Industry Experimental Station.....	1,340,511	700,000	30,000
Construction expenses of Artificial Gasoline Synthetic Experimental Laboratory.....	1,650,000	1,250,000	200,000
Construction expenses of Post Offices.....	5,193,517	3,964,436	25,951
Construction expenses of Aviation Experimental Laboratory of Ministry of Communications.....	3,635,572	3,214,664	270,000
Construction expenses of government office of Electric Experimental Station, etc.	6,000,000	-	450,000
Construction expenses of Osaka Post Office (life) Insurance Branch Office.....	4,000,000	1,500,000	1,324,185

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(In Yen)

Construction expenses of Post Office (Life) Insurance Health Information Bureau.....	1,077,716	547,716	280,000
Census-taking for 1940.....	8,460,960	3,900,000	2,310,960
Construction and reconstruction works after earthquake.....	94,431,999	85,270,687	300,000

MINISTRY OF WAR:

National defense expenses..	3,171,438,763	1,460,550,719	311,152,881
Upkeeps of land and buildings.....	48,349,141	48,142,305	51,836
Construction and repairing expenses of various detachments.....	41,517,890	37,735,614	408,250
Defense repairing expenses.	37,644,954	31,666,743	949,238
Construction and repairing expenses of Military Ordinance.....	46,083,959	45,491,577	492,382
Upkeeps of maneuvering and rifle grounds, bridges, etc.	45,223,934	34,919,705	3,890,404
Reformation of aviation divisions.....	1,529,692,148	803,388,198	528,100,968
Improvements of army equipments.....	916,196,786	631,106,464	207,404,783

MINISTRY OF NAVY:

Warship construction.....	3,525,197,464	2,331,367,567	424,174,897
Defense etc., expenditures on land and sea.....	1,087,101,380	698,739,380	185,349,000
Aviation division equipment expenses.....	534,935,859	336,459,859	84,262,000
Improvement of warships....	450,358,505	403,767,505	27,345,000

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(In Yen)

Periodical repairs of warships.....	86,392,000	65,255,000	12,300,000
Replacement (2nd period) of batteries of submarines	12,875,633	11,100,633	1,670,000
Temporary buildings of various vessels.....	2,832,000	1,572,000	760,000
Ammunition.....	67,171,350	49,503,750	9,837,600
Construction and other expenses for hydrographical working grounds.....	810,000	270,000	250,000
Research work.....	60,102,760	31,421,684	18,317,476
Replacements of munitions and equipments.....	50,451,345	38,605,432	200,000

MINISTRY OF JUSTICE:

Moving and construction expenses of Kobe prison...	2,361,083	894,103	160,684
Moving and construction expenses of Mito prison...	669,852	429,250	97,352
Reconstruction expenses of Kawagoe Juvenile prison...	1,300,000	-	130,000

MINISTRY OF EDUCATION:

New construction expenses for Kagoshima Higher Agriculture & Forestry School, Veterinary Science Building, etc.	1,380,047	481,100	396,115
Establishment and enlargement expenses of Higher Industrial School.....	18,436,130	9,487,432	6,696,923
Physical Education College	110,000	-	50,000
Reconstruction and construction expenses of Tokyo Imperial University, etc.	73,010,784	66,072,319	954,190
Equipment expenses for Tokyo Higher Dental School's Physicians Office.....	140,000	60,000	10,000

MINISTRY OF AGRICULTURAL AND FORESTRY:

Flood control for forestry...	79,253,501	22,805,975	6,478,647
Prevention of forest fires, etc.	5,363,102	3,312,092	1,709,388
Reclamation works in Tohoku district.....	3,523,097	1,133,657	431,480

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(In Yen)

Reclamation works in Kawaminamihara.....	1,485,940	333,000	247,980
Reclamation works in Yabukihara.....	2,456,400	105,000	291,900
Showa Seiro reclamation works.....	1,295,000	95,000	90,800

MINISTRY OF COMMERCE AND
INDUSTRY

Establishment of research laboratory for fiber indus- try.....	1,126,637	642,000	120,000
Establishment of research laboratory for fuels....	6,862,451	2,400,000	1,000,000
Establishment of Osaka in- dustrial experimental station.....	604,235	400,000	150,000

MINISTRY OF COMMUNICATIONS:

Establishment and repairs of aviation beacons.....	3,650,525	1,494,185	363,940
Training aviators.....	82,054,219	23,100,367	18,370,062
Establishments and equip- ments of aerodromes.....	10,308,658	8,065,804	1,642,854
Aviation testing.....	2,349,345	1,917,786	216,559
Aviation safety expenses..	3,684,349	570,030	1,122,145
Establishment of Central Aviation Research Insti- tute.....	77,897,857	6,885,556	7,800,000

MINISTRY OF WELFARE:

Construction of National Tuberculosis Sanitorium.	4,224,000	2,000,000	1,224,000
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b. SPECIAL ACCOUNTS

Table A. Revenue and Expenditure

(In Yen)

	<u>REVENUE</u>	<u>EXPENDITURE</u>
<u>FOREIGN OFFICE:</u>		
1. Cultural Undertakings in China	5,048,297	1,494,215
<u>HOME AND FINANCE MINISTRIES:</u>		
2. Provincial share of national taxes...	438,334,826	429,761,590
<u>FINANCE MINISTRY:</u>		
3. The Mint		
a. Current Account	49,415,914	10,678,841
b. Capital Account	19,384,907	55,781,212
4. Printing Bureau	48,772,496	38,386,404
5. Monopoly Bureau	820,102,887	499,542,439
6. Deposits Bureau	403,286,004	305,899,414
7. Educational Foundation Fund	23,025	-
8. National Debt Sinking Fund	5,427,766,936	5,427,766,936
9. Receipts from the Issue of National Bonds	2,396,749,390	2,396,749,390
10. National Property Account	4,844,442	1,491,002
11. Funds for Improvement of Education and Encouragement to Rural Communi- ties	6,691,912	7,015,933
12. Gold Fund	32,820,174	77,087,184
13. Government Investment	323,645,662	323,645,662
14. Kwantung Bureau (see tabulation on p 214)		
<u>WAR MINISTRY:</u>		
15. Arsenals		
a. Current Account	270,029,598	249,984,598
b. Reserve Account	-	20,045,000
16. Aviation Arsenal	10,000,000	10,000,000
17. Senju Woolen Factory		
a. Current Account	10,099,650	8,560,824
b. Reserve Account	-	1,533,000
<u>NAVI MINISTRY:</u>		
18. Naval Arsenal	228,664,496	225,997,917
19. Naval Powder Factory		
a. Current Account	19,552,730	19,133,378
b. Miscellaneous Account	-	9,352
c. Reserve Account	-	10,000
20. Naval Fuel Office		
a. Current Account	105,153,265	103,850,634
b. Miscellaneous Account	-	170,879
c. Reserve Account	-	10,000

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REVENUE

EXPENDITURE

EDUCATION MINISTRY:

21. Imperial Universities		
a. Current Account	44,015,042	44,015,042
b. Capital Account	2,843,800	5,810,434
22. Other Government Universities		
a. Current Account	15,700,254	15,700,254
b. Capital Account	471,830	1,022,832
23. Schools and Libraries		
a. Current Account	29,647,123	29,647,123
b. Capital Account	298,981	5,465,846

AGRICULTURE AND FORESTRY MINISTRY:

24. Rice Control	2,192,410,947	2,016,103,563
25. Silk Price Stabilization	62,105,066	59,450,954
26. Charcoal Control	205,382,364	205,382,364
27. Reinsurance on Agricultural Enterprises	4,360,306	4,360,306
28. Forest Fire Insurance	427,621	427,621
29. Reinsurance of Fishing Boats	809,715	809,715
30. Reinsurance of Livestock	1,290,000	1,290,000

COMMERCE AND INDUSTRY MINISTRY:

31. Reinsurance of Insurance Against Loss	151,866,779	151,866,779
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COMMUNICATIONS MINISTRY:

32. Communications Undertakings		
a. Capital Account	55,338,633	84,591,299
b. Supplies Account	65,581,895	65,581,895
c. Operating Account	581,335,997	555,460,426

RAILWAY MINISTRY:

33. Imperial Railways		
a. Capital Account	381,428,369	381,428,369
b. Supplies Account	474,028,000	474,028,000
c. Operating Account	2,082,958,401	1,748,530,032

OVERSEAS AFFAIRS MINISTRY:

34. Government General of Chosen (see tabulation on p 216)		
35. Chosen Government Railways Supplies Account	125,388,044	125,388,044
36. Chosen Postoffice Life Insurance	40,531,521	24,088,361
37. Government General of Taiwan (see tabulation on p 219)		
38. Taiwan Rice Shipping and Control Account (see tabulation on p 221)		
39. Taiwan Government Railways Supplies Account	12,968,156	12,968,156
40. Government General of Karafuto (see tabulation on p 222)		
41. Government General of Nanyo (see tabulation on p 225)		

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REVENUE

EXPENDITURE

WELFARE MINISTRY:

42. Health Insurance	70,335,432	70,335,432
43. Employee's Health Insurance	8,418,175	8,418,175
44. Seamen's Insurance	9,377,806	2,164,490
45. Labor Accident Liability Insurance ...	7,896,670	7,896,670
46. Postoffice Life Insurance	608,589,209	310,547,020
47. Postoffice Annuities	80,803,832	16,745,327

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SPECIAL ACCOUNTS (CONTINUED)

14 KWANTUNG BUREAU
(In Yen)

REVENUE - ORDINARY:

Taxes.....	28,342,201
Receipts from government undertakings and pro- perties.....	11,726,129
Stamp revenue.....	1,812,870
Receipts on seamen's insurance account.....	191,602
Miscellaneous.....	<u>2,435,328</u>
Total:	44,508,130

REVENUE - EXTRAORDINARY:

Proceeds of sales of government properties.....	1,083,217
Temporary profit tax.....	9,512,346
Profit Dividend Tax.....	856,209
Bond and debenture interest tax.....	1,186
Transportation Tax.....	220,199
Admission Tax and Special Admission Tax.....	179,546
Commodity Tax.....	2,351,714
Building Tax.....	7,100
Pleasure Tax.....	1,734,739
Supplementary account.....	13,005,217
Surplus carried over from previous fiscal year.....	<u>10,593,427</u>
Total:	39,544,900

GRAND TOTAL:

84,053,030

EXPENDITURES - ORDINARY:

Kwantung Administrative Office.....	2,793,788
Religious affairs.....	674,737
Court houses and prisons.....	810,608
Police.....	2,633,997
Education.....	4,404,781
Industrial promotion.....	715,837
Monopoly Bureau.....	4,116,033
Communications.....	3,216,102
Water police.....	275,820
Hospitals.....	239,226
Protection against infectious diseases.....	129,672
Allowance for seaman's insurance.....	31,850
Transfer to national debt adjustment special account.....	3,319,016
Transfer to seamen's insurance special account.....	191,602

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(In Yen)

Pension account.....	2,630,009
State share of educational expenses of Japanese in "Manchukuo".....	10,842,921
Miscellaneous.....	280,013
Reserves.....	<u>600,000</u>
Total:	37,906,012

EXPENDITURES - EXTRAORDINARY:

Various undertakings.....	13,019,094
Subsidies.....	717,683
Temporary encouragement of Chinese language.....	8,728
Temporary defense.....	219,418
Investigation of tax system.....	14,258
Foreign Exchange Control.....	150,438
Collection of Temporary Profit Tax.....	151,769
Transfer to contingent military expenditure special account.....	23,867,824
Special institution for prevention of thought crimes.....	6,348
Temporary institution for training of indus- trial technicians.....	42,894
Adjustment of supply and demand of various commodities.....	131,407
Adjustment of commodity prices and encouragement of savings.....	89,325
Temporary allowance to local treasury.....	1,272,135
Temporary capital adjustment.....	5,680
Gold control.....	11,468
National General Mobilization.....	189,125
Temporary institution in agricultural districts to take measures to meet the present situation.....	196,736
Undertakings in commemoration of 2600th anniversary of the founding of the Empire.....	54,683
Census-taking for 1940.....	73,742
Temporary military supporting expenses.....	19,678
State share of upkeep expenses of schools for Japanese in "Manchukuo".....	2,000,000
Contingent investment.....	2,812,500
Foreign Trade Control.....	63,976
Temporary economic police.....	296,760
Temporary judicial expenses.....	26,180
Investigation of labor statistics.....	36,805
Police special institute.....	300,660
Temporary family allowance.....	<u>367,704</u>

Total:

46,147,018

GRAND TOTAL:

84,053,030

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SPECIAL ACCOUNTS - CONTINUED

34. CHOSEN GOVERNMENT GENERAL
(In Yen)

REVENUE - ORDINARY:

Taxes.....	153,704,131
Stamp revenue.....	26,482,942
Receipts from government undertakings and properties.....	545,640,312
Miscellaneous.....	<u>6,709,894</u>
Total:	732,537,279

REVENUE - EXTRAORDINARY:

Proceeds of sales of government properties.....	10,000
Taxes.....	27,112,119
Receipts of indemnities.....	568,067
Subsidies.....	13,841,545
Receipt from gold fund special account.....	11,303,027
Bonds.....	160,432,877
Miscellaneous.....	1,319,670
Surplus carried over from previous fiscal year.....	<u>49,600,510</u>
Total:	264,187,815

GRAND TOTAL:

996,725,094

EXPENDITURES - ORDINARY:

Shrine maintenance.....	79,420
Li Household keeping expenses.....	1,800,000
Administrative office.....	9,555,366
Court houses.....	5,266,828
Prisons, etc.	9,304,017
Provincial governments.....	33,906,846
Weather observatory.....	929,801
Keijo Imperial University.....	3,603,666
Schools and libraries.....	4,283,576
Experimental laboratory.....	1,866,603
Cattle plague serum laboratory.....	967,572
Inspection office.....	3,234,758
Monopoly.....	63,790,442
Railway.....	275,901,214
Forestry.....	20,463,571
Communications.....	32,818,407
Taxation offices.....	7,115,071
Custom House.....	2,194,235
Social works.....	<u>1,854,448</u>

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(In Yen)

Transfer to national debt adjustment funds special account.....	48,409,036
Pension account.....	8,924,002
Miscellaneous.....	1,090,579
Reserve funds.....	<u>13,000,000</u>

Total:

550,359,458

EXPENDITURES - EXTRAORDINARY:

Pension to former Korean army men.....	32,828
Investigation, research and experiment.....	2,364,950
Various subsidies and encouragement funds.....	61,497,317
Repairs and constructions of various buildings....	9,916,769
Installation of telephone and telegraph.....	4,847,163
Civil engineering works.....	34,077,633
Improvement and construction of railways.....	138,258,149
Forestry works.....	2,461,934
Land-Register, land and building adjustment.....	142,861
Land improvement works.....	15,122,131
Local finance adjustment expenses.....	14,312,346
Improvement of value of land, etc.	1,744,545
Training courses for teachers, students, and young men.....	96,380
Training place for military volunteers.....	667,177
Institution for affairs of Korean residents abroad	7,586,549
Expenses for Private Affairs Consultation Office..	42,791
Compilation of Korean History.....	35,685
Contingent policing expenses.....	4,334,637
Construction of salt field.....	3,318,854
Encouragement expenditures for gold production and for the promotion of production of important mineral ores.....	24,413,918
Improvement of economical condition of farming villages.....	2,093,537
Lowering of fishing business expenses.....	526,645
Expenses for researchers abroad and temporary allowances.....	8,146
Rice production promotion works.....	2,991,400
Temporary rice exportation (to yen-bloc) control..	142,929
National total power expenses.....	641,240
Various emergency works.....	18,295,753
Foreign trade promotion.....	1,261,081
Temporary profit tax revenue.....	423,812
Transfer to contingent military expenditures special account.....	84,262,141
Allowance to those working near border.....	521,423
Calamity account.....	480,464
Improvement of elementary educational system.....	89,343
China incident awards, etc.	49,966

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(In Yen)

Temporary family allowances.....	5,621,952
Princes' upkeep construction expenses.....	250,000
Transfer to capital fund for supplies of Chosen Railways.....	<u>2,000,000</u>
Total:	446,365,636 *
GRAND TOTAL:	996,725,094

* The items listed here total 444,934,450 yen. The discrepancy of 1,431,186 yen is unexplained.

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SPECIAL ACCOUNTS - CONTINUED

37. TAIWAN GOVERNMENT GENERAL
(In Yen)

REVENUE - ORDINARY:

Taxes.....	46,941,484
Stamp revenue.....	7,766,206
Receipts from government undertakings and properties.....	196,524,196
Miscellaneous.....	<u>5,362,454</u>

Total:

256,594,340

REVENUE - EXTRAORDINARY:

Proceeds of sales of government properties.....	1,037,525
Miscellaneous receipts.....	135,626
Receipts on loans.....	1,638,350
Payments by public bodies for public works.....	4,784,548
Share of public bodies of public work expenditures	1,658,259
Receipt of compensation against export.....	35,512
Temporary profit tax.....	8,922,834
Profit dividend tax.....	384,659
Bond and debenture interest tax.....	6,832
Transportation tax.....	644,852
Admission and special admission tax.....	166,991
Commodity tax.....	529,749
Building tax.....	28,579
Amusement tax.....	402,490
Receipt from Taiwan rice export (to yen-bloc) control special account reserve fund.....	7,348,132
Receipt from gold fund special account.....	808,159
Subsidies.....	787,200
Bonds.....	9,800,000
Surplus carried over from previous fiscal year..	<u>19,443,334</u>

Total:

58,563,631

GRAND TOTAL:

315,157,971

EXPENDITURES - ORDINARY:

Shrine maintenance.....	64,000
Administrative office.....	5,499,230
Provincial offices.....	16,805,584
Custom House.....	678,718
Court Houses.....	1,584,910
Prison.....	1,620,383

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(In Yen)

Police training.....	303,299
Hospital.....	1,145,633
Laboratory and research works.....	3,773,531
Cattle serum laboratories.....	283,672
Education.....	7,268,238
Taihoku Imperial University.....	4,483,679
Social works.....	907,073
Weather observatory.....	484,073
Transportation Bureau.....	62,179,661
Monopoly.....	56,444,210
Forestry.....	6,347,988
Transfer to national debt adjustment funds special account.....	6,905,720
Pension.....	5,715,524
Miscellaneous.....	1,125,920
Reserves.....	<u>4,100,000</u>

Total: 187,722,046 *

EXPENDITURES - EXTRAORDINARY:

Various government undertakings.....	45,629,264
Repairs and construction of various buildings	9,079,109
Research and experiments.....	1,077,792
Promotion of industries.....	9,614,041
Subsidies.....	21,126,503
Establishment of special police.....	596,892
Correction of opium-smokers.....	28,033
Temporary defense for certain districts..	56,734
Temporary profit tax.....	27,935
Relief measures for Shinchiku and Taichu after earthquake.....	10,302
Encouragement of gold production.....	1,328,911
Increased production of coal.....	1,203,729
Temporary economic control.....	3,946,639
Temporary military support.....	319,258
Temporary air defense expenditure.....	2,401,313
Temporary prison expenditure.....	109,650
Temporary allowance to families.....	2,546,808
Transfer to contingent military expenditures special account.....	24,545,689
Transfer to Taiwan Government railways supplies funds.....	300,000
Calamities.....	<u>3,487,323</u>

Total: 127,435,925

GRAND TOTAL: 312,157,971

* The items listed here total 187,721,046 yen. The discrepancy of 1,000 yen is unexplained.

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(In Yen)

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38. TAIWAN RICE SHIPPING AND CONTROL ACCOUNT

	<u>REVENUE</u>	<u>EXPENDITURE</u>
Sales proceeds of rice, etc.	202,259,246	
Reserve revenue.....	45,000,000	
Operating expenses.....		191,931,903
Transfer to national debt ad- justment fund special account		39,690
Reserves.....	<u> </u>	<u>45,210,000</u>
Total:	247,259,246	237,181,593

RESTRICTED

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SPECIAL ACCOUNTS - CONTINUED

40. KARAFUTO GOVERNMENT GENERAL
(In Yen)

REVENUE - ORDINARY:

Taxes.....	5,753,529
Receipts on government undertakings and pro- perties.....	78,639,359
Stamp revenue.....	507,573
Profit on tobacco monopoly.....	2,375,626
Miscellaneous.....	<u>3,077,472</u>
Total:	90,353,559

REVENUE - EXTRAORDINARY:

Sales proceeds of government properties.....	258,604
Miscellaneous.....	30,675
Temporary profit tax.....	973,038
Profit dividend tax.....	50
Bond and debenture interest tax.....	57
Transportation tax.....	119,055
Admission tax and special admission tax.....	38,274
Commodity tax.....	821,142
Building tax.....	1,399
Amusement tax.....	402,160
Special juridical person tax.....	22,151
Reserve fund.....	6,822,200
Surplus carried over from previous fiscal year.....	<u>15,203,093</u>
Total:	24,691,898

GRAND TOTAL: 115,045,457

EXPENDITURES - ORDINARY:

Shrine maintenance.....	18,338
Administrative office.....	3,000,647
Education.....	3,951,105
Police.....	2,103,166
Forestry.....	5,385,488
Government undertakings.....	29,604,810
Central Experiment Station.....	602,193
Employment Agency.....	72,474
Quarantine station for domestic animals.....	17,811
Pension.....	<u>385,692</u>

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(In Yen)

Miscellaneous.....	393,802
Transfer to national debt adjustment fund special account.....	2,689,549
Reserve.....	<u>620,000</u>

Total: 48,845,075

EXPENDITURES - EXTRAORDINARY:

Government building repairs and constructions and civil engineering.....	3,546,227
Subsidies.....	2,154,476
Karafuto development works.....	<u>26,879,427</u>
Transfer to contingent military expenditures special account.....	10,379,253
Financial aids to local governments.....	305,670
Adjustment of supply and demand of commodities	119,114
Temporary military support.....	52,764
Commodities price adjustment and encouragement for savings.....	84,226
Temporary police expense.....	317,183
Air defense expenditures.....	832,429
Census-taking for 1940.....	68,800
Various expenses for National General Mobilization	173,151
Adjustment of demand and supply of labors..	45,122
Harmony enterprises.....	21,901
Measures for increased production of coal..	8,831,948
Supervision of national physical strength.	59,744
Temporary supplying of lumber.....	261,383
Community promotion.....	15,300
Establishment of territorial land plan.....	55,009
Temporary roads, telegraph and telephone in- stallations.....	719,437
Preparations for mining of Nannako coal mine	726,560
Establishment expenses of Karafuto Development K.K.	50,000
Temporary investment fund.....	10,000,000
Calamities.....	85,194
Temporary family allowance.....	<u>416,064</u>

Total: 66,200,382

GRAND TOTAL: 115,045,457

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SPECIAL ACCOUNTS - CONTINUED

41. SOUTH SEA MANDATE GOVERNMENT GENERAL
(In Yen)

REVENUE - ORDINARY:

Taxes.....	12,536,111
Receipts from government undertakings and properties.....	1,822,830
Stamp revenue.....	57,447
Miscellaneous.....	<u>231,602</u>
Total:	14,647,990

REVENUE - EXTRAORDINARY:

Sales proceeds of government properties.....	158,749
Transportation tax.....	18,799
Surplus carried over from previous fiscal year..	<u>246,626</u>
Total:	424,174

GRAND TOTAL: 15,072,164

EXPENDITURES - ORDINARY:

Shrine maintenance.....	34,000
Administrative office.....	7,308,898
Transfer to national debt adjustment fund special account.....	4,299
Pension.....	110,549
Reserves.....	<u>80,000</u>
	7,537,746

EXPENDITURES - EXTRAORDINARY:

Repairs and civil engineering works.....	936,952
Subsidies and encouragement funds.....	1,395,277
Investigation expenses.....	103,898
South Sea Development.....	3,806,447
National general mobilization.....	161,395
Encouragement of savings.....	19,621
Temporary training against fires.....	25,829
Temporary foreign exchange control.....	17,419
Measures for foodstuffs.....	271,796
Temporary family allowance.....	95,784
Transfer to general account.....	<u>700,000</u>

Total: 7,534,418

GRAND TOTAL: 15,072,164

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TABLE B. CONTINUING EXPENDITURES

	Total amount including additional amount	Already * Expended	For 1941-42
	(In Yen)		
<u>FINANCE MINISTRY:</u>			
<u>Kwantung Bureau</u>			
Construction of Kwantung Shrine.....	1,000,000	600,000	300,000
Construction of Dairen Dai-san Middle School....	730,810	307,625	303,280
Construction of Ryojun Higher School.....	2,208,525	200,000	1,000,000
Construction of Dairen Dai-ni Girls Middle School.....	750,000	-	100,000
Construction of Hsingking Normal School.....	3,011,150	-	350,000
Construction of Dairen Nishi Taxation Office....	203,985	-	100,000
Dairen Water-works #6 period enlargement expenses.....	42,905,455	17,096,620	7,949,573
Enlargement expenses of Ryojun water-works.....	588,000	-	30,000
Aviation safety.....	1,197,772	58,819	573,957
Construction of Dairen Central Post Office.....	940,000	240,000	700,000 (decreased sum)
Readjustment of Dairen Ma Lan Ho River banks.....	1,810,020	287,176	1,522,844 (decreased sum)
<u>EDUCATION MINISTRY:</u>			
Enlargement of Aviation Laboratory of Tokyo Imperial University.....	4,767,157	1,898,387	1,179,630
Construction of physician's office of Tokyo Imperial University.....	1,393,045	588,000	172,045
Construction of Tokyo Imperial University Physical Science's room.....	141,724	-	46,460

* Apparently the figures given here represent total expenditures up through 31 March 1941. Since these figures were undoubtedly prepared well before their publication date (5 March 1941), they must contain at least an element of estimate.

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Construction of Library for Kyoto Imperial University.....	734,000	300,000	150,000
Construction of Tohoku Imperial University, Aviation Engineering Room.....	498,109	428,109	20,000
Reconstruction of Tohoku Imperial University Physician's Office.....	727,500	400,000	109,000
Establishment of Kyushu Imperial University Science Section.....	1,330,000	750,000	380,000
Construction of Kyushu Imperial University Fisheries Room.....	264,750	57,150	70,000
Construction of Hokkaido Imperial University Low Temperature Scientific Laboratory.....	731,000	400,000	100,000
Construction of Osaka Imperial University Communication Engineering Room.....	304,700	98,750	50,000
Reconstruction Okayama Medical College Physician's Office.....	543,160	300,000	15,900
Reconstruction of Nagasaki Medical College physician's office.....	640,600	448,300	20,000
Construction of Tokyo Industrial College Metal Industrial Building, etc.	611,940	264,750	297,190
Construction of Kobe Commercial College Preparatory Class Building..	1,095,648	400,000	350,000
<u>COMMUNICATIONS MINISTRY:</u>			
Improvements and extensions of telephone and telegraphs.	1,128,055,864	883,144,505	50,000,000
Establishment of aerial wireless telephone and telegraphs.....	9,929,987	7,360,822	1,700,000
Establishment of wireless multiple communications.	800,000	-	80,000
Establishment of Electric Wave Standards Bureau....	2,800,000	-	500,000
Wireless supervision.....	311,100	-	167,550
Construction of post offices, etc.....	33,550,945	16,123,128	1,300,000
Construction of submarine cable installation boat..	3,420,000	-	855,000

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(In Yen)

RAILWAY MINISTRY:

Construction and improvement of railways and establishment of bus lines.....	6,374,166,390	4,548,917,390	286,090,000
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OVERSEAS MINISTRY:Chosen Government General

Construction of Shrines..	1,534,613	246,000	450,000
Museum construction.....	2,936,720	1,419,238	150,000
Detention station.....	600,000	-	100,000
Construction of Keijo Imperial University Science Room, etc.....	5,878,452	1,598,800	1,184,400
Construction of normal schools.....	3,563,115	2,161,199	278,637
Construction of Monopoly Bureau and factory....	5,537,648	3,089,936	690,539
Establishment of air-way service.....	17,930,975	6,812,975	2,001,882
Construction and improvements of nautical marks.	1,982,596	542,110	500,000
Extention and improvement of telephone & telegraph	21,718,382	13,160,000	3,501,509
Establishment of weather communications.....	2,611,195	2,189,031	211,082
Improvement and construction of roads.....	75,188,940	55,024,720	5,382,220
Harbor improvements and construction.....	134,531,511	53,491,380	22,309,453
Flood control.....	86,598,489	71,303,300	4,509,059
Construction undertakings of Rashin City.....	3,400,000	900,000	330,000
Railway construction and improvements.....	1,492,355,690	916,059,828	138,258,149
Exploitation railroad construction.....	15,213,670	10,634,000	2,222,000

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(IN Yen)

TAIWAN GOVERNMENT GENERAL:

Railway construction.....	14,132,125	4,369,500	1,384,925
Improvement of stations....	21,194,985	7,956,485	1,900,000
Harbor improvements.....	123,947,012	97,888,372	8,255,192
Construction of Niitaka Industrial port.....	4,882,000	-	600,000
Construction of mooring place for fishery boats at Niitaka port.....	1,100,000	550,000	400,000
Construction of So-o harbor.....	1,735,000	-	429,000
Road improvement.....	9,361,180	2,537,380	1,200,000
Road improvement of Shinten Valley.....	2,757,500	1,907,000	350,000
Bridge construction work at Karenko.....	3,436,682	240,682	339,200
Excavation work on road to cross central part....	9,330,000	-	300,000
Flood control.....	59,361,283	38,886,431	3,392,414
Land improvement.....	18,473,706	1,451,470	2,924,439
Building of Niitaka Port Industrial City.....	11,531,191	-	600,000
Construction of Taiwan Shrine.....	3,950,000	2,101,000	450,000
Construction of Taihoku Imperial University En- gineering Section Bldg.	6,000,000	-	600,000
Enlargement of Taihoku Imperial University's Medical College Bldg.....	393,694	196,847	96,847
Construction of preparatory school of Taihoku Imperial University.....	1,346,670	-	460,000
Enlargement of Tainan Higher Industrial School.....	513,812	219,203	196,906
Construction of normal school.....	1,787,240	600,000	393,620
Completion of telephone lines.....	9,200,000	-	800,000
Changing of Niitake Post Office telephone exchange system.....	793,891	-	260,527
Construction of Industrial Laboratory.....	1,656,000	1,356,000	100,000
Construction of Natural Gas Laboratory's Factory.....	5,647,172	-	934,898
Alcohol factory construction for Monopoly Bureau.	3,305,370	2,075,370	100,000
Construction of ranch for breeding horses.....	915,017	586,344	101,022

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(In Yen)

KARAFUTO GOVERNMENT GENERAL:

Construction of new adminis- trative office.....	840,000	396,000	170,000
Construction of normal school.....	1,706,219	575,128	355,769
Establishment of aviation wireless telegraph and telephone.....	700,000	300,000	200,000
Establishment of aerodromes	1,073,000	300,000	400,000
Railway construction.....	20,139,466	8,812,299	1,670,000
Harbor improvements.....	28,820,694	8,244,000	5,558,398
Improvements and extensions of telephone and telegraph	9,440,695	7,215,695	400,000
Removal and re-improvements of Odomari Station.....	776,932	-	484,759
Improvements of Nonto Station	713,277	-	283,726

SOUTH SEA MANDATE GOVERNMENT GENERAL:

Repair and construction of Palao harbor.....	2,819,561	2,267,627	292,934
Enlargement of Saipan harbor	2,000,000	869,000	162,000
Construction of Palao dry- dock.....	1,489,500	130,000	300,000
Construction, repairs and improvement of beacons	303,056	-	218,531
Re-establishment of aviation communications.....	3,526,594	1,186,225	1,228,032
Reconstruction and removing of Tropical Industry Laboratory.....	363,298	270,000	36,649

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4. FIRST SUPPLEMENTARY BUDGET

a. GENERAL ACCOUNT

From Official Gazette, March 5, 1941

SUPPLEMENTARY BUDGET ESTIMATES OF REVENUES AND EXPENDITURES
FOR THE 1941-42 FISCAL YEAR

We grant Imperial sanction to, and hereby order to be promulgated, the Supplementary General Budget of Revenues and Expenditures for the fiscal year 1941-42 which has received the concurrence of the Imperial Diet.

March 5, 1941
Imperial Sign Manual and Privy Seal
Prince Fumimaro Konoe, Prime Minister
Other Ministers of State.

Article 1. The amount of supplementary revenues and expenditures for the 1941-42 fiscal year is fixed at Yen 1,131,849,423 each. The amount of each item is shown in Table "A" annexed herewith.

Article 2. Appropriations mentioned in Table "B" annexed herewith are, according to their respective plans, made the continuing expenditures for the 1941-42 fiscal year and onward, while the total amount of every item already fixed by years is revised.

Article 3. As regards the expenditures mentioned in the annexed Table "C" belonging to the Supplementary Expenditure Budget for the 1941-42 fiscal year, the balance of outlays at the end of the fiscal year may be transferred to, and used for, the following fiscal year 1942-43.

Table A. Revenue and Expenditures

<u>REVENUE</u>	(In Yen)
<u>Extraordinary Revenue</u>	
(4) Contributions by public corporations to public work funds.....	1,000,000
(5) Share by public corporations in public work funds.....	725,000
(6) Donation for encouragement of scientific research.....	1,000
(9) Receipts accruing from indemnification in export trade, etc.	4,899,578
(11) Miscellaneous receipts	571,000
(12) Loans	1,124,652,845
Total	1,131,849,423

EXPENDITURES

ORDINARY EXPENDITURES

Department of Foreign Affairs

(1) Foreign Office proper.....	59,315
(2) Foreign Missions Abroad	533,533
Total:	592,848

Department of Home Affairs

(7) Local offices	3,528
(11) Subsidies	21,945
Total:	25,473

Department of Finance

(2) Cabinet	2,800
(12) Reimbursements and replenishments	218,204
(13) Transfer to national debts amortization funds	111,379,392
(16) National Treasury reserve funds	150,000,000
Total:	261,600,396

Department of War

(2) Military expenditure	47,018,957
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Department of Navy

(2) Naval expenditure	213,682
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Department of Justice

(1) Justice Department proper	6,482
(2) Judicial Affairs expenditure	398,191
(3) Prison expenditure	78,334
Total:	483,007

Department of Education

(1) Education Department proper	1,000
(2) Education Bureau	121,102
(5) Common education expenditure	2,744,000
(7) Social education expenditure	496,000
(14) Universities, other schools and libraries	66,363
Total:	3,428,465

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Department of Agriculture and Forestry

(1) Agriculture and Forestry Department proper ... 13,404

Department of Communications

(11) Annuities and pensions 7,138

Department of Overseas Affairs

(1) Overseas Affairs Department proper 18,000

Department of Welfare

(2) Insurance Bureau 117,200

TOTAL OF ORDINARY EXPENDITURE 313,518,570

EXPENDITURE

EXTRAORDINARY EXPENDITURE

Department of Foreign Affairs

(3) Establishment of a foreign mission
abroad 20,000

(4) Subsidies 40,000

(5) Temporary protection of Japanese
residents abroad 2,692,452

(6) Immigrants protection expenditure 17,600

(8) Temporary diplomatic expenditure 1,196,922

(10) China incident expenditure 368,973

(12) Service allowances and other
temporary extra allowances 554,172

(13) Japan-Germany-Italy joint technical
committee expenditure 1,373,206

(14) "Manchukuo" cultural enterprise
expenditure 342,020

(15) Temporary allowances to families 91,632

Total: 6,696,977

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Department of Home Affairs

(1) Subsidies 1,068,850

(2) Riparian work expenditure 1,500,000

(3) Harbors improvement expenditure 1,000,000

(11) Construction and repair expenditure 24,850

(17) Special Police expenditure 334,259

(21) Temporary local offices expenditure 1,824,844

(22) General mobilization and other
expenditure 5,000

(32) Fires and other disasters relief
expenditure 6,670,000

(33) Temporary families allowances 1,653,196

Total: 14,080,999

Department of Finance

(1) Construction and repair expenditure 350,000

(2) Investigation expenditure 30,000

(3) Subsidies 8,756,849

(10) Temporary foreign exchange control
expenditure 167,992

(18) Grants-in-aid to special companies 2,210,000

(19) China incident rewards expenditure 178,022

(25) Thrift encouragement expenditure 2,017,708

(33) Preparatory expenditure for establish-
ment of a People's Relief Bank 5,000

(34) Transfer to the Government's disburse-
ment special account 1,458,679

(35) Temporary families allowances 685,416

Total: 15,859,666

Department of War

(2) National defense expenditure 39,930,912

(6) Adjustment of training stations, target
practice grounds, etc. 5,000,000

(12) Reorganization of air forces, etc. 71,326,388

(13) Military equipment improvement
expenditure 149,427,046

Total: 265,684,346

Department of Navy

(1) Ships construction expenditure 87,145,750

(2) Land and water equipment adjustment 172,788,000

(3) Air forces expenditure 7,300,000

(5) Munitions adjustment expenditure 41,150,000

(15) Rehabilitation expenditure 354,250

Total: 308,738,000

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<u>Department of Justice</u>	(In Yen)
(11) Construction and repair expenditure	152,000
(12) Temporary families allowances	1,092,936
Total:	1,244,936
<u>Department of Education</u>	
(1) Construction and repair expenditure	402,000
(4) Temporary investigation expenditure	60,000
(6) Subsidies	6,230,000
(12) Temporary common education expenditure	144,000
(13) Temporary industrial exports training expenditure	28,980
(16) Urgency national training stations inauguration expenditure	100,000
(22) Fire rehabilitation expenditure	25,000
(23) Temporary disbursement for universities other schools and libraries	4,293,634
(24) Temporary families allowances	116,016
(25) Temporary school teachers allowances	38,000,000
Total:	49,399,630
<u>Department of Agriculture and Forestry</u>	
(1) Encouragement of agriculture, etc.	25,308,273
(2) Expenditure for inspection and controls	21,040
(3) Investigation and research expenditure	84,429
(4) Agricultural communities economic revival expenditure	714,848
(5) Urgency measures expenditure	27,967,192
(9) Domestic animals infectious diseases prevention expenditure	100,000
(10) Natural disasters relief	2,539,429
(18) Construction and repair expenditure	11,169
(22) Expenditure relating to Japan-Soviet Fishery Convention	30,642
(23) Preparatory expenditure for establishment of special companies, etc.	53,000
(24) Temporary rice control expenditure	19,632,095
(25) Temporary families allowances	642,888
Total:	77,087,005*
<u>Department of Commerce and Industry</u>	
(1) Trade development expenditure	9,190,000
(7) Encouragement of industries	180,000

* The items listed here total 77,105,005 yen for the Department of Agriculture and Forestry. The discrepancy of 18,000 yen is unexplained. See footnote to Department of Commerce and Industry

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(18) Subventions to dividends of Imperial Mining Company	1,000,000
(24) Temporary materials adjustment expenditure	70,655
(28) Expenditure for control of wages and other allowances	28,231
(30) Coal production expenditure	35,630,000
(33) Expenditure for control of companies	106,419
(34) Relief to medium and small shopkeepers who change the lines of their business in war time situation	530,579
(35) Grants-in-aid to oil and coal companies in Northern Saghalien	3,950,000
(37) Temporary families allowances	140,280
Total:	50,844,164*
<u>Department of Communications</u>	
(1) Subsidies and encouragement expenditure	2,183,000
(23) Subvention to Japan Electric Generation and Transmission Company	14,141,379
(27) Adjustment of marine administrative organs ..	261,815
(28) Temporary families allowances	135,720
Total:	16,721,913**
<u>Department of Overseas Affairs</u>	
(3) Expenditure for protection and encouragement of immigration and colonial enterprises abroad	70,900
(4) Expenditure for colonial enterprises in Manchuria	4,867,417
(12) Temporary families allowances	47,224
Total:	4,985,541

* The items listed here total 50,826,164 yen for the Department of Commerce and Industry. The discrepancy of 18,000 yen is unexplained. See footnote to Department of Agriculture and Forestry.

** The items listed under Department of Communications total 16,721,914 yen. The discrepancy of 1 yen is unexplained.

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Department of Welfare

(In Yen)

(31) Expenditure for relief of medium and small shop-keepers who change the lines of their business	5,506,530
(32) Preparatory expenditure for inauguration of annuity and insurance for the benefit of laborers	1,040,578
(33) Temporary families allowances	440,568
Total:	6,987,676
TOTAL OF EXTRAORDINARY EXPENDITURE:	818,330,853
GRAND TOTAL OF EXPENDITURES:	1,131,849,423

Table B. Continuing Expenditures

Department of Home Affairs

Riparian Work:

Total amount previously fixed	1,056,234,028
Additional appropriation	49,327,200
Total:	1,105,561,228

Of this total, amount disbursed up to end of 1940-41 fiscal year	655,446,412
Amount to be disbursed for next 20 years beginning 1941-42 fiscal year	450,114,816

Department of Finance

Expenditure for construction of national training stations and other buildings:

Construction expenditure	650,000
Disbursement for 1941-42 fiscal year	350,000
Disbursement for 1942-43 fiscal year	300,000

Department of War

National defense expenditure:

Total amount previously fixed	3,171,438,763
Additional appropriation	150,375,040
Total:	3,321,813,803

Of this total, amount disbursed up to end of 1940-41 fiscal year	1,460,550,719
Amount to be disbursed for next five years beginning 1941-42 fiscal year	1,861,263,084

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This amount is classified as below:

Forts adjustment expenditure	6,917,532
Expenditure for arms, etc.	1,854,345,552
Disbursement for 1941-42 fiscal year	351,083,793
Forts adjustment	5,679,057
Arms, etc.	345,404,736
Disbursement for 1942-43 fiscal year	662,052,123
Forts adjustment	1,236,475
Arms, etc.	660,813,648
Disbursement for 1943-44 fiscal year:	
Arms, etc.	577,928,363
Disbursement for 1944-45 fiscal year:	
Arms, etc.	238,943,765
Disbursement for 1945-46 fiscal year:	
Arms, etc.	31,255,040
Expenditures for adjustment of training stations, target practice grounds, etc.:	
Total amount previously fixed	45,223,934
Additional appropriation	25,000,000
Total:	70,223,934
Of this total amount disbursed up to end of 1940-41 fiscal year	34,919,705
Amount to be disbursed for next five years beginning 1941-42 fiscal year	35,304,229
Disbursement for 1941-42 fiscal year	8,890,404
Disbursement for 1942-43 fiscal year	7,981,558
Disbursement for 1943-44 fiscal year	8,432,267
Disbursement for 1944-45 fiscal year	5,000,000
Disbursement for 1945-46 fiscal year	5,000,000
Expenditure for air forces, etc.:	
Total amount previously fixed	1,529,692,148
Additional appropriation	198,116,775
Total:	1,727,808,923

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Of this total, amount disbursed up to end of 1940-41 fiscal year	803,388,198
Amount to be disbursed for next five years beginning 1941-42 fiscal year	924,420,725
Disbursement for 1941-42 fiscal year	599,427,356
Disbursement for 1942-43 fiscal year	231,627,713
Disbursement for 1943-44 fiscal year	66,340,308
Disbursement for 1944-45 fiscal year	7,485,231
Disbursement for 1945-46 fiscal year	19,540,117

Expenditure for improvement of military equipment:

Total amount previously fixed	916,196,786
Additional appropriation	390,378,576
Total:	1,306,575,362

Of this total, amount disbursed up to end of 1940-41 fiscal year	631,106,464
Amount to be disbursed for next five years beginning 1941-42 fiscal year	675,468,898
Disbursement for 1941-42 fiscal year	356,831,829
Disbursement for 1942-43 fiscal year	167,829,771
Disbursement for 1943-44 fiscal year	83,576,501
Disbursement for 1944-45 fiscal year	43,499,092
Disbursement for 1945-46 fiscal year	23,731,705

Department of the Navy

Ships construction expenditure:

Total amount previously fixed	3,525,197,464
Additional appropriation	196,424,750
Total:	3,721,622,214

Of this total, amount disbursed up to end of 1940-41 fiscal year	2,331,367,567
Amount to be disbursed for next four years beginning 1941-42 fiscal year	1,390,254,647
Disbursement for 1941-42 fiscal year	511,320,647
Disbursement for 1942-43 fiscal year	474,495,000
Disbursement for 1943-44 fiscal year	342,109,000
Disbursement for 1944-45 fiscal year	62,330,000

Land and water equipment expenditure:

Total amount previously fixed	1,087,101,380
Additional appropriation	552,199,000
Total:	1,639,300,380

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Of this total, amount disbursed up to end of 1940-41 fiscal year	698,739,380
Amount to be disbursed for next five years beginning 1941-42 fiscal year	940,561,000

This amount is classified as below:

Office expense	16,483,860
Expenses for engineering depots	696,853,444
Expenses for defense corps.	139,608,900
Expense for naval stations	28,800,976
Expense for educational organs	44,856,820
Expense for hospitals	13,957,000
Disbursement for 1941-42 fiscal year	358,137,000
Disbursement for 1942-43 fiscal year	352,749,000
Disbursement for 1943-44 fiscal year	179,208,000
Disbursement for 1944-45 fiscal year	49,167,000
Disbursement for 1945-46 fiscal year	1,300,000

Air forces expenditure:

Total amount previously fixed	534,935,859
Additional appropriation	14,900,000
Total:	549,835,859

Of this total, amount disbursed up to end of 1940-41 fiscal year	336,459,859
Amount to be disbursed for next four years (sic) beginning 1941-42 fiscal year	213,376,000
Disbursement for 1941-42 fiscal year	91,562,000
Disbursement for 1942-43 fiscal year	84,784,000
Disbursement for 1943-44 fiscal year	3,400,000

Munitions expenditures:

Total amount previously fixed	67,171,350
Additional appropriation	124,450,000
Total:	191,621,350

Of this total, amount disbursed up to end of 1940-41 fiscal year	49,503,750
Amount to be disbursed for next four years beginning 1941-42 fiscal year	142,117,600
Disbursement for 1941-42 fiscal year	50,987,600
Disbursement for 1942-43 fiscal year	86,480,000
Disbursement for 1943-44 fiscal year	2,650,000
Disbursement for 1944-45 fiscal year	2,000,000

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Department of Justice

Expenditure for construction of prisons, etc.	1,042,000
Disbursement for 1941-42 fiscal year	152,000
Disbursement for 1942-43 fiscal year	450,000
Disbursement for 1943-44 fiscal year	440,000

Department of Education

Expenditures for construction of aviation engineering department building of Hamamatsu Higher Technical School	892,000
Disbursement for 1941-42 fiscal year	402,000
Disbursement for 1942-43 fiscal year	490,000

Table C. Expenditures Permitted to be Carried
Over to the Following Fiscal Year.

Department of Agriculture and Forestry

(24) Temporary rice control extraordinary expenditure	19,632,095
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Department of Communications

(1) Subsidies and encouragement extraordinary expenditure	2,183,000
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b. SPECIAL ACCOUNTS

SUPPLEMENTARY SPECIAL ACCOUNT BUDGET FOR THE
1941-42 FISCAL YEAR

From Official Gazette, March 5, 1941

We grant Imperial sanction to, and hereby order to be promulgated, the Supplementary Budget Estimates of Revenue and Expenditures belonging to Special Account for the 1941-42 fiscal year which has received the concurrence of the Imperial Diet.

March 5, 1941
Imperial Sign Manual and Privy Seal
Prince Fumimaro Konoe,
Prime Minister,
Other Ministers of State

Special Account Budget

Article 1. The Supplementary budget estimates of revenues and expenditures belonging to special account for the 1941-42 fiscal year mentioned hereinunder comprise those for the mint, national debt amortization fund, national loans, gold production fund, Government's disbursements, and Kwantung Bureau under the jurisdiction of the Department of Finance; military arsenals and military woolen factory under the jurisdiction of the Department of War; naval arsenals' funds, naval gunpowder factories and naval fuel factories under the jurisdiction of the Department of Navy; Imperial universities, other Government universities, schools and libraries under the jurisdiction of the Department of Education; rice supply and demand adjustment, re-insurance for the benefit of agricultural communities under the jurisdiction of the Department of Agriculture and Forestry; State's re-insurance of damage insurance under the jurisdiction of the Department of Commerce and Industry; communications' affairs under the jurisdiction of the Department of Communications; supplementary budget estimates of revenue and expenditures of Chosen Governor-General's Office, Taiwan Governor General's Office, rolling stock funds in Taiwan, Karafuto Administration Office under the jurisdiction of the Department of Overseas Affairs. The amount for each item is shown in Table "A" appended hereunder.

Article 2. The expenditures mentioned in Table "B" given elsewhere shall, according to what they are planned, be used as continuing expenditures after the 1941-42 fiscal year.

Article 3. In respect to those items of expenditures mentioned in Table "C" given elsewhere which are included in supplementary budget estimates of revenues and expenditures for the 1941-42 fiscal year, the balance of appropriations remaining on hand at the end of the 1941-42 fiscal year will be carried forward for use in the ensuing fiscal year 1942-43.

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Table A. Revenue and Expenditure

UNDER THE JURISDICTION OF THE DEPARTMENT OF FINANCE

Mint

Revenue:

(1) Mint revenue 123,468

Expenditure:

(1) Mint expenditure 117,861

National Debt Amortization Fund

Revenue:

(1) National debt amortization fund (transfer from general and special accounts) 121,293,944

Expenditure:

(1) Disbursement of national debt amortization fund 121,293,944

Public Loans

Revenue:

(1) Public Loans revenue 5,178,199,439

Expenditure:

(1) Public loans expenditure (transfer to general and special accounts) 5,178,199,439

Gold Production Fund

Expenditure:

(1) Gold production fund expenditure (transfer to general and other accounts) 6,053,265

Government's Disbursements

Revenue:

(1) Government's disbursements revenue (transfer from loans issued and general account) 79,093,511

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Expenditure:

(1) Government's disbursements 79,093,511
To national debt amortization fund special account 2,714,261
To Japan Iron Manufacturing Company 42,629,250
To new farm land cultivation organization 3,750,000
To Japan Silk-Thread Control Joint-Stock Company 20,000,000
To Imperial Oil Joint-Stock Company 10,000,000

Kwantung Bureau

Revenue:

Ordinary

(2) Government enterprise revenue 11,220

Revenue:

Extraordinary

(11) Transfer of surplus from the preceding year .. 816,452

Total Ordinary and Extraordinary Revenues:

827,672

Expenditure:

Ordinary

(8) Communications expenditures 11,220

Expenditure:

Extraordinary

(2) Subsidies 246,852

(11) Materials supply and demand adjustment expenditure 233,216

(16) National Mobilization expenditure 128,428

(23) Trade Control expenditure 26,294

(29) Expenditure for investigation of important materials in Japan proper and overseas territories 28,922

(30) Expenditure for movements for a revival of East Asia 152,740

Total:

816,452

Total of Ordinary and Extraordinary expenditures:

827,672

UNDER THE JURISDICTION OF THE DEPARTMENT OF WAR

Military Arsenals

Revenue:

(1) Military arsenals revenue 879,916,370

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Expenditure:

(1) Military arsenals expenditure	879,916,370
Salaries	3,482,699
Business expenses	482,399,008
Materials expenses	394,000,000
Miscellaneous expenses	34,663

Military Woolen Factory

Revenue:

(1) Military woolen factory revenue	7,848,266
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Expenditure:

(1) Military woolen factory expenditure	7,848,266
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UNDER THE JURISDICTION OF THE DEPARTMENT OF NAVY

Naval Arsenals Funds

Revenue:

(1) Revenue accruing from sale of materials	163,372,519
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Expenditure:

(1) Materials expenditure	163,372,519
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Naval Gunpowder Factories

Revenue:

(1) Naval gunpowder factories revenue	58,202,031
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Expenditure:

(1) Naval gunpowder factories expenditures	58,202,031
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Naval Fuel Factories

Revenue:

(1) Naval fuel factories revenue	20,389,928
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Expenditure:

(1) Naval fuel factories expenditure	20,389,928
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UNDER THE JURISDICTION OF THE DEPARTMENT OF AGRICULTURE AND FORESTRY

Rice Supply and Demand Adjustment

Revenue:

(1) Rice supply and demand adjustment revenue (Sale of rice)	74,527,777
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Expenditure:

(1) Rice supply and demand adjustment expenditure	43,048,587
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Re-insurance of Agricultural Enterprises

Expenditure:

(1) Re-insurance of agricultural enterprises	491,458
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UNDER THE JURISDICTION OF THE DEPARTMENT OF COMMERCE AND INDUSTRY

Government Re-insurance of Casualty Insurance

Revenue:

(1) Revenue accruing from Government re-insurance of casualty insurance	7,649,454
(2) Loans	157,446,800
(3) Re-insurance money held over from preceding year .	2,396,000

Total: 167,492,254

Expenditure:

(1) Expenditure for Government re-insurance of casualty insurance	163,739,254
(2) Reserve fund	3,753,000

Total: 167,492,254

UNDER THE JURISDICTION OF THE DEPARTMENT OF COMMUNICATIONS

Communications

Revenue:

(1) Communications revenue	2,829,750
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Expenditure:

(1) Communications expenditure	2,839,750
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5. SUPPLEMENTARY URGENCY MILITARY BUDGET

From Official Gazette, March 5, 1941.

We grant Imperial sanction to, and hereby order to be promulgated, the Supplementary Urgency Military Budget which has received the concurrence of the Imperial Diet.

March 5, 1941
Imperial Sign Manual and Privy Seal
Prince Fumimaro Konoe,
Prime Minister,
Other Ministers of State.

URGENCY MILITARY BUDGET

The total amount of Supplementary Urgency Military estimates of revenues and expenditure is fixed at Yen 4,880,000,000. The amount of each item is shown in the table annexed herewith.

Table

Revenue:

(1) Military funds 4,880,000,000

Expenditure:

(1) Urgency military expenditure 4,880,000,000
Expenditure in reserve 780,000,000
Urgency military expenditure 4,100,000,000

6. SUPPLEMENTARY URGENCY MILITARY MATERIALS FUND BUDGET

From Official Gazette, March 5, 1941

We grant Imperial sanction to, and hereby order to be promulgated the Supplementary Budget Estimates relating to Urgency Military Materials Fund which has received the concurrence of the Imperial Diet.

March 5, 1941
Imperial Sign Manual and Privy Seal
Prince Fumimaro Konoe,
Prime Minister,
Other Ministers of State

URGENCY MILITARY MATERIALS FUND

The total amount of supplementary revenue and expenditure relating to urgency military materials fund is fixed at Yen 170,000,000 each

The amount of each item is shown in Table annexed herewith.

Table

UNDER JURISDICTION OF THE DEPARTMENT OF WAR

Urgency Military Materials Fund (In Yen)

Revenues:

(1) Materials revenue 170,000,000
Sale of materials 169,950,000
Miscellaneous receipts 50,000

Expenditure:

(1) Materials expenditure 170,000,000

7. EXTRA BUDGET I FOR 1941-42 FISCAL YEAR

From Official Gazette, March 5, 1941

We grant Imperial sanction to, and hereby order to be promulgated the Extra Budget for the 1941-42 fiscal year which has received the concurrence of the Imperial Diet.

March 5, 1941
Imperial Sign Manual and Privy Seal
Prince Fumimaro Konoe
Prime Minister
Other Ministers of State.

a. GENERAL ACCOUNT

Department of Foreign Affairs

Rental of lands and buildings for Missions abroad

Regarding the rental of lands and buildings for Missions abroad, the amount of the existing contracts may be re-assessed and new contracts for their lease may be made or old contracts may be renewed by fixing proper term of lease and annual amount of rental, the total amount not exceeding Yen 2,936,702 a year.

Department of Home Affairs

Subsidies to Urato Harbor improvement work

The amount of subsidies to be defrayed for the Urato harbor improvement work is fixed as mentioned below beginning the 1941-42 fiscal year.

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(In Yen)

Fiscal year 1941-42	169,900
Fiscal year 1942-43	390,322
Fiscal year 1943-44	179,344
Subsidies to Nanao Harbor improvement work:	
Fiscal Year 1941-42	74,686
Fiscal year 1942-43	235,084
Subsidies to Onomichi harbor improvement work:	
Fiscal year 1941-42	151,798
Fiscal year 1942-43	442,418
Fiscal year 1943-44	295,033
Subsidies to Maizuru harbor improvement work:	
Fiscal year 1941-42	84,644
Fiscal year 1942-43	62,604
Fiscal year 1943-44	50,270
Subsidies to Aomori harbor improvement work:	
Fiscal year 1941-42	122,000
Fiscal year 1942-43	311,667
Fiscal year 1943-44	210,355
Subsidies to Oita harbor improvement work:	
Fiscal year 1941-42	78,707
Fiscal year 1942-43	110,500
Subsidies to Uno harbor improvement work:	
Fiscal year 1941-42	31,000
Fiscal year 1942-43	236,051
Fiscal year 1943-44	96,920
Subsidies to Sakata harbor improvement work:	
Fiscal year 1941-42	56,770
Fiscal year 1942-43	59,200
Subsidies to Hiroshima harbor improvement work:	
Fiscal year 1941-42	73,800
Fiscal year 1942-43	229,952
Fiscal year 1943-44	114,700

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(In Yen)

Subsidies to Ube harbor improvement work:	
Fiscal year 1941-42	147,000
Fiscal year 1942-43	210,000
Fiscal year 1943-44	268,800
Fiscal year 1944-45	270,600
Fiscal year 1945-46	275,088
Subsidies to Wakayama harbor improvement work:	
Fiscal year 1941-42	157,758
Fiscal year 1942-43	98,450
Fiscal year 1943-44	98,450
Fiscal year 1944-45	98,450
Fiscal year 1945-46	98,450
Fiscal year 1946-47	98,450
Fiscal year 1947-48	98,450
Fiscal year 1948-49	111,750
Fiscal year 1949-50	103,584
Subsidies to Osaka harbor improvement work:	
Fiscal year 1941-42	1,000,000
Fiscal year 1942-43	2,000,000
Fiscal year 1943-44	2,042,000
Fiscal year 1944-45	2,566,000
Fiscal year 1945-46	2,000,000
Fiscal year 1946-47	2,000,000
Fiscal year 1947-48	2,000,000
Fiscal year 1948-49	2,518,500
Fiscal year 1949-50	2,000,000
Fiscal year 1950-51	1,996,687
Subsidies to Tsuchizaki harbor improvement work:	
Fiscal year 1941-42	70,000
Fiscal year 1942-43	140,000
Fiscal year 1943-44	140,000
Fiscal year 1944-45	140,000
Fiscal year 1945-46	140,000
Fiscal year 1946-47	75,000
Subsidies to Hachinohe harbor improvement work:	
Fiscal year 1941-42	87,000
Fiscal year 1942-43	175,000
Fiscal year 1943-44	150,000
Fiscal year 1944-45	150,000
Fiscal year 1945-46	150,000
Fiscal year 1946-47	150,000
Fiscal year 1947-48	92,500

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Subsidies to Konahama harbor improvement works:

Fiscal year 1941-42	140,564
Fiscal year 1942-43	435,000
Fiscal year 1943-44	435,000

Subsidies to Nagoya harbor improvement work:

Fiscal year 1941-42	500,000
Fiscal year 1942-43	1,000,000
Fiscal year 1943-44	1,045,000
Fiscal year 1944-45	1,557,000
Fiscal year 1945-46	1,000,000
Fiscal year 1946-47	1,000,000
Fiscal year 1947-48	1,000,000
Fiscal year 1948-49	1,000,000
Fiscal year 1949-50	1,000,000
Fiscal year 1950-51	1,000,000
Fiscal year 1951-52	1,000,000
Fiscal year 1952-53	1,000,000
Fiscal year 1953-54	419,142

Subsidies to Niigata harbor improvement work:

Fiscal year 1941-42	195,000
Fiscal year 1942-43	797,000
Fiscal year 1943-44	837,000
Fiscal year 1944-45	805,000
Fiscal year 1945-46	805,000
Fiscal year 1946-47	794,300

Subsidies to rivers adjustment work:

Fiscal year 1941-42	892,000
Fiscal year 1942-43	1,837,000
Fiscal year 1943-44	1,423,000
Fiscal year 1944-45	1,413,000
Fiscal year 1945-46	1,028,000
Fiscal year 1946-47	450,000

Subsidies to aerial defense work:

Fiscal year 1941-42	2,319,100
Fiscal year 1942-43	4,546,100
Fiscal year 1943-44	4,524,280
Fiscal year 1944-45	3,310,266
Fiscal year 1945-46	3,308,167

Total:

18,007,913

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(In Yen)

Subsidies to anti-fire zones construction work:

Fiscal year 1941-42	300,000
Fiscal year 1942-43	650,000
Fiscal year 1943-44	650,000
Fiscal year 1944-45	650,000
Fiscal year 1945-46	650,000
Fiscal year 1946-47	650,000
Fiscal year 1947-48	650,000
Fiscal year 1948-49	820,000

Subsidies to anti-fire zone construction work in Hakodate:

Fiscal year 1941-42	15,000
Fiscal year 1942-43	60,000
Fiscal year 1943-44	60,000
Fiscal year 1944-45	60,000
Fiscal year 1945-46	60,000
Fiscal year 1946-47	73,000
Fiscal year 1947-48	60,000

Subsidies to medium and small rivers improvement work:

Fiscal year 1941-42	3,727,906
Fiscal year 1942-43	5,914,250
Fiscal year 1943-44	6,262,673
Fiscal year 1944-45	4,671,500
Fiscal year 1945-46	2,479,000
Fiscal year 1946-47	1,530,000
Fiscal year 1947-48	544,000

Subsidies to improvement work on various harbors:

Fiscal year 1941-42	1,361,020
Fiscal year 1942-43	2,158,560
Fiscal year 1943-44	1,875,537
Fiscal year 1944-45	1,297,000
Fiscal year 1945-46	892,100
Fiscal year 1946-47	802,200
Fiscal year 1947-48	465,000
Fiscal year 1948-49	390,000

Subsidies for payment of interest on funds for exploitation of unreclaimed private lands in Hokkaido:

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(In Yen)

Fiscal year 1941-42	141,627
Fiscal year 1942-43	141,800
Fiscal year 1943-44	136,868
Fiscal year 1944-45	131,762
Fiscal year 1945-46	126,294
Fiscal year 1946-47	120,633
Fiscal year 1947-48	114,527
Fiscal year 1948-49	108,210
Fiscal year 1949-50	101,676
Fiscal year 1950-51	94,918
Fiscal year 1951-52	87,925
Fiscal year 1952-53	80,690
Fiscal year 1953-54	73,173
Fiscal year 1954-55	65,470
Fiscal year 1955-56	57,463
Fiscal year 1956-57	49,184
Fiscal year 1957-58	40,825
Fiscal year 1958-59	33,008
Fiscal year 1959-60	25,961
Fiscal year 1960-61	20,334
Fiscal year 1961-62	16,179
Fiscal year 1962-63	13,131
Fiscal year 1963-64	10,222
Fiscal year 1964-65	7,952
Fiscal year 1965-66	5,756
Fiscal year 1966-67	4,106
Fiscal year 1967-68	2,855
Fiscal year 1968-69	1,976
Fiscal year 1969-70	1,068
Fiscal year 1970-71	543

Subsidies to rivers improvement work in Hokkaido:

Fiscal year 1941-42	215,000
Fiscal year 1942-43	340,000
Fiscal year 1943-44	340,000
Fiscal year 1944-45	382,000
Fiscal year 1945-46	232,200

Subsidies to rehabilitation work in Shizuoka:

Fiscal year 1941-42	691,972
Fiscal year 1942-43	265,506
Fiscal year 1943-44	223,220

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(In Yen)

Subsidies to Omoterokko river improvement work:

Fiscal year 1941-42	1,652,200
Fiscal year 1942-43	2,368,000
Fiscal year 1943-44	2,368,000
Fiscal year 1944-45	2,368,000
Fiscal year 1945-46	2,363,973
Fiscal year 1946-47	1,618,047

Subsidies to rehabilitation work and city planning work in Kobe:

Fiscal year 1941-42	384,934
Fiscal year 1942-43	592,205
Fiscal year 1943-44	592,205
Fiscal year 1944-45	592,205
Fiscal year 1945-46	592,205
Fiscal year 1946-47	426,386

Subsidies to engineering work in principal cities and prefectures:

Fiscal year 1941-42	2,066,000
Fiscal year 1942-43	350,000

Subsidies to rehabilitation work:

Fiscal year 1941-42	2,457,232
Fiscal year 1942-43	411,000

Subsidies to engineering work in rural districts:

Fiscal year 1941-42	14,044,007
Fiscal year 1942-43	15,157,410

Subsidies to rehabilitation work in rural districts:

Fiscal year 1941-42	3,519,000
Fiscal year 1942-43	5,143,364

Subsidies to rivers maintenance work:

Fiscal year 1941-42	73,500
Fiscal year 1942-43	78,500
Fiscal year 1943-44	18,000

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(In Yen)

Subsidies to civil engineering work and rivers maintenance work:

Fiscal year 1941-42	306,000
Fiscal year 1942-43	511,600
Fiscal year 1943-44	511,533
Fiscal year 1944-45	470,000
Fiscal year 1945-46	470,617
Fiscal year 1946-47	400,000
Fiscal year 1947-48	307,000

Subsidies to rivers improvement and civil engineering work funds:

Fiscal year 1941-42	518,420
Fiscal year 1942-43	545,780
Fiscal year 1943-44	377,997
Fiscal year 1944-45	291,000

Grants-in-aid for rivers improvement and engineering works:

Fiscal year 1941-42	49,000
Fiscal year 1942-43	70,000
Fiscal year 1943-44	70,000
Fiscal year 1944-45	70,000
Fiscal year 1945-46	59,373
Fiscal year 1946-47	21,000

Subsidies to Hokkaido rehabilitation work and civil engineering work funds:

Fiscal year 1941-42	119,000
Fiscal year 1942-43	21,000

Subsidies to Hokkaido rivers improvement and civil engineering work funds:

Fiscal year 1941-42	185,020
Fiscal year 1942-43	188,626

Department of War

- Expenditure for clothing and foodstuffs.
- Expenditure for arms and horses.
- Expenditures for maneuvers.
- Expenditure for transportation.

The Department is authorized during the 1941-42 fiscal year to effect contracts to be borne by the Central Treasury during the 1942-43 fiscal year to the maximum amount of Yen 5,154,000 for clothing and provisions, Yen 9,632,000 for arms and horses, Yen 1,112,000 for maneuvers and Yen 240,000 for transportation.

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Department of Navy

Expenditure for shipbuilding, manufacture of arms and ammunitions, and repair. Expenditure for ships maintenance. Hydrographic expenditures.

The Department is authorized during the 1941-42 fiscal year to effect contracts obligatory to the Central Treasury during the 1942-43 fiscal year to the maximum amount of Yen 40,000,000 for shipbuilding, manufacture of arms and ammunitions, and repair, and Yen 20,000 for hydrographic expenditure.

Department of Education

Subsidies to private universities:

The Department is authorized to effect contracts for the disbursement of Yen 250,000 as mentioned below, besides the amount of contracts still in force during and after the 1941-42 fiscal year.

- From 1941-1951 - Yen 10,000 per annum.
- From 1951 to 1957 - Yen 25,000 per annum.

Department of Agriculture and Forestry

Subsidies to creation and maintenance of proprietary farming:

From 1942 to 1955 Yen 2,238,494 per annum.

Department of Commerce and Industry

Export indemnification fund:

The Department is authorized during the 1941-42 fiscal year to enter into contracts obligatory to the Central Treasury for a period of six years beginning the 1941-42 fiscal year to the maximum amount of Yen 25,782,000 as export indemnification fund.

Indemnification fund to cover losses resulting from accommodation of export funds:

The Department is authorized during the 1941-42 fiscal year to effect contracts obligatory to the Central Treasury for two years beginning the 1941-42 fiscal year to the maximum amount of Yen 20,160,000 as indemnification fund to cover losses resulting from accommodation of export funds.

Indemnification fund to cover losses resulting from accommodation of funds for the manufacture of export staples:

The Department is authorized during the 1941-42 fiscal year to enter into contracts obligatory to the Central Treasury for two years beginning the 1941-42 fiscal year to the maximum amount of Yen 20,160,000 as indemnification fund to cover losses resulting from accommodation of funds for the manufacture of export staples.

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Expenditure for development of trade:

The Department is authorized during the 1941-42 fiscal year to effect contracts obligatory to the Central Treasury for two years beginning the 1941-42 fiscal year to the maximum amount of Yen 50,000,000 as export development expenditure.

Subventions for trial digging of oil fields:

Fiscal year 1941-42	15,785,271
Fiscal year 1942-43	9,582,287

Encouragement for manufacture of pig iron:

Fiscal year 1941-42	2,000,000
Fiscal year 1942-43	1,860,000

Subventions for establishment of international sample museums:

Fiscal year 1941-42	100,000
Fiscal year 1942-43	100,000

Indemnification against losses sustained by Japan Gold Production Joint-Stock Company:

The Department is authorized during the 1941-42 fiscal year to effect contracts to the extent of Yen 10,000,000 in order to cover losses resulting from the following enterprises in accordance with the Government's orders and under the provisions of Article 25 of the Law Relating to the Japan Gold Production Joint-Stock Company:-

- (1) Gold mining or gold refining enterprise.
- (2) Accommodation of funds or investment of funds for gold mining or gold refining enterprises.
- (3) Trial digging of mines under trust.
- (4) Control of ore for sale and for transportation.
- (5) Manufacture of, or transactions in articles necessary for gold production.
- (6) Experiments in technical production of gold.

Indemnification against purchase price of coal:

Fiscal year 1941-42	57,817,597
Fiscal year 1942-43	9,690,000

Department of Communications

Subsidies for construction of tank vessels:

(In Yen)

Fiscal year 1941-42	2,880,000
Fiscal year 1942-43	6,750,000
Fiscal year 1943-44	6,570,000

Terms:

That those who will receive subsidies shall be either Japanese subjects or companies having Japanese subjects only as members or shareholders.

That vessels to be built shall be steamers made of iron which correspond to terms to be specified by the Minister of Communications.

That ships to be constructed shall be built at shipbuilding yards in Japan and that as for the construction of ships the permission of the Minister of Communications shall be obtained beforehand.

That subsidies shall be granted in accordance with Government orders to be issued.

That ships constructed under subsidies shall not be either offered for mortgage or transferred to any other party without permission of the Minister of Communications.

That should Government orders be ignored, contracts shall be cancelled and the grantings of subsidies shall be discontinued and subsidies already granted shall be refunded. That a proper penalty shall be imposed according to the degree of offences.

Subsidies to North American shipping service;

Subsidies to South American shipping service:

The Department is, in granting subsidies to North American and South American shipping services, authorized during 1941-42 fiscal year to enter into contracts for defrayal within the limits of Yen 1,339,272 to San Francisco line of North American shipping service, Yen 754,277 to Seattle line of North American shipping service, Yen 1,086,932 to eastern coast line of South American shipping service respectively for the 1942-43 fiscal year.

Subsidies to aerial service between Tokyo and Dairen:

Fiscal year 1941-42	2,550,000
Fiscal year 1942-43	2,440,000
Fiscal year 1943-44	2,390,000
Fiscal year 1944-45	2,304,000
Fiscal year 1945-46	2,280,000

Terms:

That the existing arrangements providing that each aeroplane on the present route shall have a loading capacity of more than 600 kilograms and an accommodation capacity of more than six cubic meters and an economic speed developing more than 220 kilometers an hour shall be revised to the effect that each aeroplane on the present route shall have a loading capacity of more than 800 kilograms and an accommodation capacity of more than 15 cubic meters and an economic speed developing more than 280 kilometers an hour.

Subsidies to aerial service between Tokyo and Taihoku:

The Department is, in granting subsidies to aerial service between Tokyo and Taihoku, authorized to enter into contracts for defrayal within the limits of amount mentioned below for a period of three consecutive fiscal years beginning the 1941-42 fiscal year.

Fiscal year 1941-42	435,000
Fiscal year 1942-43	270,000
Fiscal year 1943-44	120,000
Total:	825,000

Terms:

That the above-mentioned routes shall, in accordance with Government orders to be issued, provide an aeroplane or aeroplanes, each having a loading capacity of more than 1,700 kilograms and an accommodation capacity of more than 28 cubic meters and developing more than 270 kilometers an hour in economic speed.

That on the foregoing route the aerial service of more than one return trip shall, in accordance with Government orders to be issued, be made every day in every year after April, 1941, as a fundamental principle.

That the Government, if deeming it necessary, may order an alteration of capacity of aeroplanes, or of the number of aerial services.

That the Government, if deeming it necessary, may order an alteration of freight rates for passengers and cargo.

That subsidies shall be granted in accordance with Government orders. However, the amount of subsidies shall be reduced when the number of aerial services is curtailed, or when aeroplanes which do not possess the above-mentioned capacities are used.

That if provisions of Government orders were violated, penalties shall be collected in accordance with the extent of such violation each time it was committed.

Subsidies to aerial service between Tokyo and Hsinking:

The amount of annual subsidies in and after 1941-42 fiscal year and terms concerned for the Tokyo-Hsinking aerial service shall be revised as follows:

Fiscal year 1941-42	1,070,000
Fiscal year 1942-43	920,000
Fiscal year 1943-44	820,000
Fiscal year 1944-45	720,000
Fiscal year 1945-46	580,000

Terms:

"That the above-mentioned routehaving a loading capacity of more than 1,000 kilograms and an accommodation capacity of more than 19 cubic meters shall be revised as "having a loading capacity of more than 1,700 kilograms and an accommodation capacity of more than 28 cubic meters".

Subsidies to Tokyo-Nanking aerial service:

The title of Fukuoka-Nanking aerial service shall be altered to that of Tokyo-Nanking aerial service.

Fiscal year 1941-42	510,000
Fiscal year 1942-43	210,000

Terms:

That a loading capacity of more than 1,000 kilograms and an accommodation capacity of more than 19 cubic meters and an economic speed of more than 270 kilometers an hour on Fukuoka-Nanking route shall be revised to a loading capacity of more than 1,070 kilograms and an accommodation capacity of more than 15 cubic meters and an economic speed of more than 300 kilometers an hour on Tokyo-Fukuoka section of Tokyo-Nanking route. That old terms hitherto adopted on Fukuoka-Nanking route shall be revised to a "loading capacity of more than 1,700 kilograms and an accommodation capacity of more than 28 cubic meters and an economic speed of more than 270 kilometers an hour".

That old terms hitherto adopted on Fukuoka-Nanking route where there were more than one return service every day in every day (year?) after October 1938, shall be revised to the effect that there shall be on Tokyo-Nanking route more than one return service every day in every year after April 1941, as a fundamental principle.

Subsidies to Keijo-Peking aerial service:

That the title of Keijo(Seoul)-Dairen aerial service shall be altered to that of Keijo-Peking aerial service and that the amount of subsidies after 1941-42 fiscal year and terms relating thereto shall be revised as below.

Fiscal year 1941-42	268,000
Fiscal year 1942-43	230,000
Fiscal year 1943-44	202,000
Fiscal year 1944-45	188,000
Fiscal year 1945-46	170,000

Terms:

That old terms hitherto adopted on the present route stipulating that there shall be a loading capacity of more than 800 kilograms and an accommodation capacity of more than 15 cubic meters and an economic speed of more than 270 kilometers an hour shall be revised to the effect that there shall be a loading capacity of more than 1,070 kilograms and an accommodation capacity of more than 15 cubic meters and an economic speed of more than 300 kilometers an hour.

Subsidies to Taihoku-Haichow aerial service:

That the title of Taihoku-Canton aerial service shall be altered to that of Taihoku-Haichow aerial service.

Fiscal year 1941-42	800,000
Fiscal year 1942-43	725,000
Fiscal year 1943-44	630,000
Fiscal year 1944-45	565,000
Fiscal year 1945-46	460,000

Terms:

That old terms hitherto adopted on Taihoku-Canton route stipulating that there shall be a loading capacity of more than 1,000 kilograms and an accommodation capacity of more than 19 cubic meters and an economic speed of more than 270 kilometers an hour shall be revised to the effect that there shall be on Taihoku-Canton section of Taihoku-Haichow route a loading capacity of more than 1,700 kilograms and an accommodation capacity of more than 28 cubic meters and as economic speed of more than 270 kilometers an hour. That on Canton-Haichow section there shall be a loading capacity of more than 1,070 kilograms and an accommodation capacity of more than 15 cubic meters and an economic speed of more than 300 kilometers an hour.

Subsidies to Taihoku-Bangkok aerial service:

Fiscal year 1941-42	486,000
Fiscal year 1942-43	450,000
Fiscal year 1943-44	402,000
Fiscal year 1944-45	372,000
Fiscal year 1945-46	312,000

Terms:

That old terms hitherto adopted on Taihoku-Bangkok route stipulating that there shall be a loading capacity of more than 1,000 kilograms and an accommodation capacity of more than 19 cubic meters and an economic speed of more than 270 kilometers an hour shall be revised to the effect that there shall be on Taihoku-Bangkok route a loading capacity of more than 1,070 kilogram and an accommodation capacity of more than 14 cubic meters and an economic speed of more than 280 kilometers an hour.

Subsidies to Yokohama-Parao aerial service:

The title of Tokyo-Parao aerial service shall be altered to that of Yokohama-Parao aerial service.

Fiscal year 1941-42	2,020,000
Fiscal year 1942-43	1,950,000
Fiscal year 1943-44	1,900,000
Fiscal year 1944-45	1,840,000
Fiscal year 1945-46	1,790,000

Terms:

That a loading capacity of more than 1,000 kilograms and an accommodation capacity of more than 15 cubic meters and an economic speed of more than 185 kilometers an hour on the present route shall be revised to a loading capacity of more than 1,800 kilograms and an accommodation capacity of more than 24 cubic meters and an economic speed of more than 240 kilometers an hour on the present route.

Subsidies to Parao-Tansui aerial service:

The Department is authorized to enter into contracts for the granting of subsidies within the limits of sums of money mentioned below for the next five years beginning the 1941-42 fiscal year.

Fiscal year 1941-42	265,000
Fiscal year 1942-43	355,000
Fiscal year 1943-44	355,000
Fiscal year 1944-45	340,000
Fiscal year 1945-46	340,000

Terms:

That on the present route there shall, in accordance with Government orders to be issued, be provided an aeroplane or aeroplanes each having a loading capacity of more than 1,800 kilograms and an accommodation capacity of more than 24 cubic meters and developing an economic speed of more than 240 kilometers an hour.

That on the present route there shall, in accordance with Government orders to be issued, be preparatory aerial services of more than one return service every month during a period from July 1941 to September 1941, as a fundamental principle and that there shall be aviation services of more than one return service every two weeks after October 1941.

That the Government, if necessary, will order an alteration of capacity of aeroplanes, or of the number of aerial services.

That the Government, if necessary, will order an alteration of freight rates for passengers and cargo.

That subsidies shall be granted in accordance with Government orders. However, the amount of subsidies will be reduced when the number of aerial services is curtailed, or aeroplanes lacking the above-mentioned capacity are used.

That should the Government orders be violated, penalties shall be imposed according to the degree of such violation each time it was committed.

Encouragement for trial manufacture of aeroplanes:

Fiscal year 1941-42	280,000
Fiscal year 1942-43	350,000
Fiscal year 1943-44	570,000
Total:	1,200,000

Subsidies for establishment and adjustment of aerodromes:

Fiscal year 1941-42	809,782
Fiscal year 1942-43	919,386

From 1943 to 1960 - Yen 249,386 per annum.

Supplementary aid to shipbuilding funds:

The Government is authorized to enter into contracts obligatory to the Central Treasury within the limits of Yen 18,900,024 as supplementary aid to shipbuilding funds for a period of 17 fiscal years beginning with the 1941-42 fiscal year.

Grants-in-aid for development of aerial enterprises:

Fiscal year 1941-42	3,837,263
Fiscal year 1942-43	1,160,102
Fiscal year 1943-44	430,558

Guarantee for payment of principal and interest of debentures of Japan Electric Generation and Transmission Company:

That in provision of contracts obligatory to the Central Treasury outside the Budget which obtained the concurrence of the Imperial Diet in its 74th session regarding guarantee for payment of principal and interest of debentures of the Japan Electric Generation and Transmission Company, the figure of Yen 500,000,000 shall be revised to Yen 1,000,000,000.

b. SPECIAL ACCOUNTS

UNDER THE JURISDICTION OF THE DEPARTMENT OF FINANCE:

Government Printing Office

Expenditures for purchase of materials for printing:

The Department is authorized during the 1941-42 fiscal year to enter into contracts obligatory to the Central Treasury within the limits of Yen 892,155 for enterprises and Yen 2,147,240 for materials in regard to the purchase of materials necessary for printing during the 1942-43 fiscal year.

Monopoly Bureau

Expenditures for purchase of materials:

The Department is authorized during 1941-42 fiscal year to enter into contracts obligatory to the Central Treasury for the maximum amount of Yen 450,000 for enterprises and Yen 2,418,000 for materials for the 1942-43 fiscal year.

Kwantung Bureau

Expenditure for purchase of raw materials for opium monopoly:

The Department is authorized during the 1941-42 fiscal year to enter into contracts obligatory to the Central Treasury for the maximum amount of Yen 650,000 with which to purchase opium for monopoly purposes during the 1942-43 fiscal year.

Expenditure for purchase of articles for communications:

The Department is authorized during the 1941-42 fiscal year to enter into contracts obligatory to the Central Treasury for the maximum amount of Yen 100,000 in order to purchase articles necessary for communications during the 1942-43 fiscal year.

Subsidies to Keijo-Peking aerial service:

The title of Keijo-Dairen aerial service shall be altered to that of Keijo-Peking aerial service.

Fiscal year 1941-42.....	126,000
" " 1942-43.....	120,000
" " 1943-44.....	140,000
" " 1944-45.....	106,000
" " 1945-46.....	100,000

Terms:

That a loading capacity of more than 800 kilograms and an accommodation capacity of more than 15 cubic meters and an economic

speed of more than 270 kilometers an hour on the present route shall be revised to a loading capacity of more than 1,070 kilograms and an accommodation capacity of more than 15 cubic meters and an economic speed of more than 300 kilometers an hour on the present route.

UNDER THE JURISDICTION OF DEPARTMENT OF WAR

Military Arsenals

Expenditure for purchase of materials:

The Department is authorized during the 1941-42 fiscal year to enter into contracts obligatory to the Central Treasury for the maximum amount of Yen 18,000,000 for materials and Yen 12,000,000 for enterprises in connection with the purchase of consumption articles and materials for machinery and tools, etc. during 1942-43 fiscal year.

Military Woolen Factory

Expenditure for purchase of consumption articles and materials for machinery and tools, etc.:

The Department is authorized during the 1941-42 fiscal year to effect contracts obligatory to the Central Treasury for the maximum amount of Yen 2,187,000 for materials and Yen 84,000 for enterprises in connection with the purchase of articles of consumption and materials for the 1942-43 fiscal year.

UNDER THE JURISDICTION OF DEPARTMENT OF NAVY

Naval Arsenals

The Department is authorized during the 1941-42 fiscal year to enter into contracts obligatory to the Central Treasury for the maximum amount of Yen 60,000,000 for the purchase of materials required for shipbuilding and manufacture of arms and ammunition.

Naval Gunpowder Arsenals

The Department is authorized during the 1941-42 fiscal year to enter into contracts obligatory to the Central Treasury for the maximum amount of Yen 3,000,000 for the purchase of materials necessary for the manufacture of gunpowder.

Naval Fuel Arsenals

The Department is authorized during the 1941-42 fiscal year to enter into contracts obligatory to the Central Treasury for the maximum amount of Yen 18,000,000 for the purchase of materials for the manufacture of fuels.

UNDER THE JURISDICTION OF THE DEPARTMENT OF EDUCATION

Government Universities

Salaries of foreign employees:

The Government universities are authorized to enter into contracts within the limits of the following terms for the employ of foreign instructors, provided the amount of contracts now in force shall be reckoned:

Period for engagement.....	3 years
Annual salaries.....	113,780
Annual allowance for lodging..	3,361
Expenses for return home.....	41,380

Schools and Libraries

Salaries of foreign employees:

Various schools under direct control of the Government are authorized to enter into contracts within the limits of the following terms for the employ of foreign instructors, provided the amount of contracts still in force shall be reckoned:

Period for engagement.....	3 years
Annual salaries.....	685,930
Annual allowances for lodging..	24,866
Expenses for return home.....	264,650

UNDER THE JURISDICTION OF DEPARTMENT OF COMMUNICATIONS

Communications

Expenditure for purchase of articles necessary for communications:

The Department is authorized during the 1941-42 fiscal year to enter into contracts obligatory to the Central Treasury for the maximum amount of Yen 20,000,000 for the purchase of articles necessary for communications for the 1942-43 fiscal year.

Expenditure for purchase of marks, etc. for communications:

The Department is authorized during the 1941-42 fiscal year to enter into contracts obligatory to the Central Treasury for the maximum amount of Yen 400,000 for the purchase of marks, etc. during the 1942-43 fiscal year.

UNDER THE JURISDICTION OF DEPARTMENT OF RAILWAYS

Imperial Railways

Expenditure for purchase of articles and electric power:

The Department is authorized during the 1941-42 fiscal year to enter into contracts obligatory to the Central Treasury for the maximum amount of Yen 200,000,000 for the purchase of articles and electric power necessary for railways within a period of five years beginning the 1942-43 fiscal year, provided the amount of contracts still in force shall be reckoned.

Expenditure for repair of machinery:

The Department is authorized during the 1941-42 fiscal year to enter into contracts obligatory to the Central Treasury for the maximum amount of Yen 500,000 for the repair of machinery during the 1942-43 fiscal year.

Expenditure for enterprises:

The Department is authorized during the 1941-42 fiscal year to enter into contracts obligatory to the Central Treasury for the maximum amount of Yen 3,000,000 for enterprises during the 1942-43 fiscal year.

UNDER THE JURISDICTION OF DEPARTMENT OF OVERSEAS AFFAIRS

Government-General of Chosen

Expenditure for purchase of articles necessary for weights and measures:

Expenditure for purchase of clothing, etc. for police officers:

Expenditure for purchase of articles for afforestation:

Expenditure for purchase of articles for communications:

The Department is authorized during the 1941-42 fiscal year to enter into contracts obligatory to the Central Treasury for the maximum amount of Yen 200,000 for the purchase of articles necessary for weights and measures, Yen 400,000 for clothing, etc. of police officers, Yen 110,000 for articles needed for afforestation and Yen 550,000 for articles necessary for communications.

Expenditure for purchase of monopoly articles, raw materials for monopolies, etc.:

The Department is authorized during the 1941-42 fiscal year to enter into contracts obligatory to the Central Treasury for the

maximum amount of Yen 1,700,000 for the purchase of monopoly articles, raw materials for monopolies, etc. during the 1942-43 fiscal year.

Expenditure for railway enterprises:

The Department is authorized during the 1941-42 fiscal year to enter into contracts obligatory to the Central Treasury for the maximum amount of Yen 250,000 for railway enterprises during the 1942-43 fiscal year.

Subsidies to Keijo-Peking aerial service:

The title of Keijo-Dairen aerial service shall be altered to that of Keijo-Peking aerial service,

Fiscal year 1941-42	.....	126,000
" " 1942-43	.....	120,000
" " 1943-44	.....	114,000
" " 1944-45	.....	106,000
" " 1945-46	.....	100,000

Terms:

That a loading capacity of more than 800 kilograms and an accommodation capacity of more than 15 cubic meters and an economic speed of more than 270 kilometers an hour on the present route shall be revised to a loading capacity of more than 1,070 kilograms and an accommodation capacity of more than 15 cubic meters and an economic speed of more than 300 kilometers an hour on the present route.

Replenishment of funds for shipbuilding and indemnification against losses in connection with shipbuilding:

The Government-General is authorized during the 1941-42 fiscal year to enter into contracts whereby to defray subsidiary funds and to indemnify losses under the following terms for the benefit of those who will accommodate shipbuilding funds, provided the maximum amount of accommodation shall not exceed Yen 4,000,000.

(1) That loans shall be effected in accordance with terms mentioned below.

That shipbuilding funds shall only be accommodated.

That shipbuilding funds accommodated shall be redeemed annually within a period of 15 years. However, an arrangement can be made to keep accommodation funds unredeemed within the limits of two years during the period.

That ships to be built (including ships under construction) shall establish mortgage rights. However, pending the com-

pletion of construction of ships in course of building it is possible to offer other vessels or other things as security.

That security value shall be less than two-thirds of the value of ships under mortgage and less than four-fifths of insurance amount.

That interest rate on loans shall be fixed at 3.9 annually.

(2) That those who will obtain loans shall be Japanese subjects or companies which have Japanese subjects only as their members or shareholders and shall construct ships in Chosen with the object of engaging in maritime transportation business.

(3) That ships to be built (ships in course of construction are included) shall be steel steamers each aggregating more than 400 gross tons.

(4) That subsidiary funds shall be fixed at less than 1.5 annually against the amount of loans.

(5) That those who want to grant loans shall obtain the Government's permission beforehand.

(6) That the amount of indemnification against losses shall be 70/100 against the amount of losses sustained by granting loans.

(7) That losses in the foregoing paragraph and the amount of losses shall be decided by the Government, taking into consideration contracts relating to indemnification against losses and other terms.

Subsidies to irrigation improvement works:

Fiscal year 1941-42	.....	11,533,668
" " 1942-43	.....	5,915,695
" " 1943-44	.....	3,975,680

Subsidies to land reclamation work:

Fiscal year 1941-42	.....	151,238
" " 1942-43	.....	503,032
" " 1943-44	864,565
" " 1944-45	1,048,670
" " 1945-46	664,775
" " 1946-47	137,495

Total: 3,369,775

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Funds for "Manchukuo" Development Company:

The Government-General is authorized during the 1941-42 fiscal year to effect contracts for disbursements after the 1941-42 fiscal year within the limits of Yen 7,500,000 for payment of funds against increased shares of "Manchukuo" Development Company.

Subventions for working new coal pits:

Fiscal year 1941-42	350,000
" " 1942-43	117,000

Subsidiary funds for production of coal:

Fiscal year 1941-42	1,259,000
" " 1942-43	545,000

Indemnification against losses sustained by granting funds for export trade:

The Government-General is authorized during the 1941-42 fiscal year to enter into contracts obligatory to the Central Treasury for the maximum amount of Yen 540,000 as indemnification fund for export trade during two years after the 1941-42 fiscal year.

Expenditure for development of export trade:

The Government-General is authorized during the 1941-42 fiscal year to enter into contracts obligatory to the Central Treasury for the maximum amount of Yen 3,000,000 as expenditure for developments of export trade during two years after the 1941-42 fiscal year.

Government-General of Taiwan

Subsidies to Tokyo-Taihoku aerial service:

Fiscal year 1941-42	435,000
" " 1942-43	270,000
" " 1943-44	120,000

Total: 825,000

Terms:

That the present route shall, according to Government orders to be issued, provide an aeroplane or aeroplanes each having a loading capacity of more than 1,700 kilograms and an accommodation capacity of more than 28 cubic meters and an economic speed of more than 270 kilometers an hour.

That on the present route there shall, according to Government orders to be issued, be aerial service of more than one return trip every day in every year after April 1, 1941, as a fundamental

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principle.

That the Government will, if necessary, order an alteration of either capacity of aeroplanes or the number of services.

That the Government will, if necessary, order an alteration of freight rate for passengers and cargo.

That subsidies shall, according to Government orders to be issued, be granted. However, the amount of subsidies shall be reduced when the number of aerial services is curtailed, or when aeroplanes, the capacity of which does not correspond to that mentioned above, are used.

That should Government orders be violated a penalty shall be imposed according to the degree of violation each time it is committed.

Subsidies for Taihoku-Bangkok aerial service:

Fiscal year 1941-42	324,000
" " 1942-43	300,000
" " 1943-44	268,000
" " 1944-45	248,000
" " 1945-46	208,000

Terms:

That a loading capacity of more than 1,000 kilograms and an accommodation capacity of more than 19 cubic meters and an economic speed of more than 280 kilometers an hour on the present routes shall be altered to the effect that there shall be a loading capacity more than 1,070 kilograms and an accommodation capacity of more than 14 cubic meters and an economic speed of more than 280 kilometers an hour on the present route.

Subsidies to Taihoku-Haikow aerial service:

That the title of Taihoku-Canton aerial service shall be altered to that of Taihoku-Haikow aerial service.

Fiscal year 1941-42	500,000
" " 1942-43	425,000
" " 1943-44	330,000
" " 1944-45	265,000
" " 1945-46	160,000

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Terms:

That old provisions stipulating that the present route shall have a loading capacity of more than 1,000 kilograms and an accommodation capacity of more than 19 cubic meters and an economic speed of more than 270 kilometers an hour shall be revised to the effect that between Taihoku and Canton on the present route there shall be a loading capacity of more than 1,700 kilograms and an accommodation capacity of more than 28 cubic meters and an economic speed of more than 270 kilometers an hour, and that between Canton-Haikow there shall be a loading capacity of more than 1,070 kilograms and an accommodation capacity of more than 15 cubic meters and an economic speed of more than 300 kilometers an hour.

Subsidies to Parao-Tansui aerial route:

Fiscal year 1941-42	265,000
" " 1942-43	355,000
" " 1943-44	355,000
" " 1944-45	340,000
" " 1945-46	340,000
 Total:	 1,655,000

Terms:

That the present route shall, according to Government orders to be issued, provide an aeroplane or aeroplanes having a loading capacity of more than 1,800 kilograms and an accommodation capacity of more than 24 cubic meters and an economic speed of more than 240 kilometers an hour.

That on the present route there shall, according to Government orders to be issued, be provisional aerial services of more than one return trip every month from July 1 to September 30, 1941, and that after October 1, 1941, there shall be aerial services of more than one return trip every two weeks every year as a fundamental principle.

That the Government shall, if necessary, order an alteration of capacity of aeroplanes or the number of trips.

That the Government shall, if necessary, order an alteration of freight rate of passengers and cargo.

That subsidies shall, according to Government orders to be issued, be granted. However, the amount of subsidies shall be reduced when the number of aerial services be curtailed, or aeroplanes,

the capacity of which does not correspond to that mentioned above, be used.

That should Government orders be violated, a penalty shall be imposed according to the degree of violation each time it is committed.

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8. EXTRA BUDGET II FOR 1941-42 FISCAL YEAR

From Official Gazette, March 5, 1941.

We grant Imperial sanction to, and hereby order to be promulgated, the Extra Budget for the 1941-42 fiscal year which has received the concurrence of the Imperial Diet.

March 5, 1941.

Imperial Sign Manual and Privy Seal.

Prince Fumimaro Konoe,
Prime Minister
Other Ministers of State.

a. General Account

Department of Foreign Affairs

Rental of lands and buildings for missions abroad:

Regarding the rental of lands and buildings for missions abroad, the amount of the existing contracts may be re-assessed, and new contracts for their lease may be made or old contracts may be renewed by fixing proper term of lease and annual amount of rental, provided the total amount shall not exceed Yen 3,441,955 a year.

Department of Finance

Indemnification against losses sustained by foreign exchange:

The Department is authorized during the 1941-42 fiscal year to enter into contracts obligatory to the Central Treasury for the maximum amount of Yen 500,000,000 in order to indemnify losses sustained by foreign exchange during five years after the 1941-42 fiscal year.

Department of Agriculture and Forestry

Subventions for supply of fertilizers:

The Department is authorized during the 1941-42 fiscal year to enter into contracts obligatory to the Central Treasury for the maximum amount of Yen 36,970,714 for the supply of fertilizers during two years after the 1941-42 fiscal year.

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Department of Commerce and Industry

Indemnification for exports:

The Department is authorized during two years after the 1940-41 fiscal year to enter into contracts obligatory to the Central Treasury for the maximum amount of Yen 1,135,000 which will be used as subsidies for damage done to rice under control within the limits of seven years after the 1940-41 fiscal year.

Re-indemnification against losses sustained by giving funds for the benefit of small and medium commercial and industrial men:

Regarding re-indemnification against losses sustained by giving funds for the benefit of small and medium commercial and industrial men, the clause "during a period from April 1, 1937, to March 31, 1942", in which contracts obligatory to the Central Treasury outside the Budget may be made shall be altered to "a period from April 1, 1937, to March 31, 1944". The total amount of Yen 25,000,000 shall also be altered to that of Yen 50,000,000.

Subsidies to payment of interest on funds given small and medium commercial and industrial men who changed their occupations:

In case guilds or corporations organized by small and medium commercial and industrial men in order to alter their occupations in a satisfactory manner have borrowed funds necessary for purchasing assets of these commercial and industrial men during a period from March 1, 1941, to February 28, 1942, the Government will during the 1940-41 fiscal year effect contracts in order to pay interest on funds for the benefit of guilds or corporations, provided the maximum amount of funds to be borrowed shall not exceed Yen 50,000,000.

Indemnification against losses sustained by war-time marine insurance:

The Department is authorized during the 1940-41 fiscal year to enter into contracts obligatory to the Central Treasury for the maximum amount of Yen 10,000,000 in order to indemnify losses sustained by war-time marine insurance during six years after the 1940-41 fiscal year.

Expenditure for development of trade:

The Department is authorized during the 1941-42 fiscal year to enter into contracts obligatory to the Central Treasury for the maximum amount of Yen 50,000,000 during two years after the 1941-42 fiscal year.

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Indemnification against losses sustained by Japan Gold Production Joint-Stock Company:

Regarding indemnification against losses sustained by Japan Gold Production Joint-Stock Company, the total amount of indemnification funds against losses sustained through gold production refining process, for which contracts obligatory to the Central Treasury outside the Budget may be entered into, shall be increased from Yen 2,500,000 to Yen 6,000,000.

Indemnification against purchase price of coal:

Fiscal year 1941-42	35,630,000
" " 1942-43	37,640,000
Total:	73,270,000

Subsidies for guarantee of rights and interests of Northern Saghalien oil:

The Department is authorized during the 1941-42 fiscal year to enter into contracts obligatory to the Central Treasury for the maximum amount of Yen 6,410,000 to be used as subsidies for guaranteeing rights and interests of Northern Saghalien oil during two years after the 1941-42 fiscal year.

Subsidies for guarantee of rights and interests of Northern Saghalien:

The Department is authorized during the 1941-42 fiscal year to enter into contracts obligatory to the Central Treasury for the maximum amount of Yen 1,490,000 to be used as subsidies for guarantee of rights and interests of Northern Saghalien coal during two years after the 1941-42 fiscal year.

Indemnification against losses sustained in connection with the securing of materials for munitions of war:

The Department is authorized during the 1941-42 fiscal year to enter into contracts obligatory to the Central Treasury for the maximum amount of Yen 250,000,000 during two years after the 1941-42 fiscal year.

Guarantee for payment of principal and interest on debentures of Japan Coal Joint-Stock Company:

The Government will give guarantee for the payment of principal and interest of debentures of the Japan Coal Joint-Stock Company to the extent of Yen 37,500,000 in face value.

Department of Communications

Pensions to foreign instructors:

A life pension at the rate of Yen 960 a year will be granted

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a foreigner who was formerly as instructor of the Matsumoto High School after August 1, 1940.

A life pension at the rate of Yen 1,380 a year will be granted a foreigner who was formerly an instructor of the Tokyo Foreign Language School after August 1, 1940.

A life pension at the rate of Yen 1,390 a year will be granted a foreigner who was formerly an instructor of the Naval Engineering School after April 1, 1939.

Subsidies to Tokyo-Saigon-Bangkok aerial services:

Fiscal year 1941-42	670,000
Fiscal year 1942-43	620,000
Fiscal year 1943-44	620,000
Fiscal year 1944-45	610,000
Fiscal year 1945-46	600,000

Total: 3,120,000

Terms:

That the present route shall, according to Government orders to be issued, provide an aeroplane or aeroplanes having a loading capacity of more than 1,070 kilograms and an accommodation capacity of more than 15 cubic meters and an economic speed of more than 300 kilometers an hour.

That on the present route there shall, according to Government orders to be issued, be aerial service of more than one return trip every two weeks in every year after April 1, 1941.

That the Government will, if necessary, order an alteration of capacity of aeroplanes or the number of trips.

That the Government will, if necessary, order an alteration of freight rate of passengers and cargo.

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9. THIRD SUPPLEMENTARY BUDGET FOR 1941-42 FISCAL YEAR*

Details of the supplementary budget of the General Account are as follows:

<u>REVENUE</u>	(In Thousand Yen)
Ordinary	214,592
 <u>EXPENDITURES</u>	
Ordinary	80,311
Extraordinary	435,625
Total:	515,936

A deficit of Yen 301,344,000 occurring in this account is to be covered by the surplus of revenue in the working budget for the current fiscal year. Classified by departments the supplementary budget will be distributed as follows:

	(In Thousand Yen)
Home Office	1,580
Finance	294,904
Education	45
Department of Agriculture	217,030
Department of Commerce	2,340
Welfare Department	30
Total:	515,929

These funds will be used in the following manner:

	(In Thousand Yen)
Transfer to Temporary War Expenditure	
Special Account	214,592
Expenditure for increased production rice ..	199,956
Flood relief in Kwanto and other districts .	10,943
Expenditures for frost damage in Hokkaido	
and other prefectures	5,536
Expenditures for re-organization of medium	
and small business and industrial enter-	
prises	4,548
Increase in second reserve fund	80,000
Total:	515,575

* This section is taken from a report written at the U. S. Embassy in Tokyo, and this is not a translation of the Official Gazette as are the preceding section of Appendix C.

Details of the additional Special Account appropriation are as follows:

	(In Thousand Yen)
Sinking fund	2,047,412
Public bonds	3,570,030
Kwantung Bureau	1,458
Army Arsenals	499,020
Rice Supply Adjustment	308,148
Korean Government General	41,735
Formosan Government General	15,372
Formosan Rice Export Control	75,741
Karafuto Government	1,012
South Seas Government	50
Temporary War Expenditure Special Account.	3,800,000
Total:	10,359,978

Detailed appropriations for overseas possessions are as follows:

<u>GOVERNMENT GENERAL OF KOREA</u>	(In Thousand Yen)
Revenue	41,735
Ordinary	16,692
Extraordinary	25,043
Expenditures	41,735
Ordinary	8,455
Extraordinary	33,280
 <u>GOVERNMENT GENERAL OF FORMOSA</u>	
Revenue	15,372
Ordinary	586
Extraordinary	14,786
Expenditures	15,372
Ordinary	3,021
Extraordinary	12,351
 <u>KARAFUTO GOVERNMENT</u>	
Revenue	1,012
Ordinary	16
Extraordinary	996
Expenditures	1,012
Ordinary	508
Extraordinary	504

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SOUTH SEAS GOVERNMENT

(In Thousand Yen)

Revenue	71
Ordinary	68
Extraordinary	3
Expenditures	50
Ordinary	50
Extraordinary	-

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APPENDIX D

THE INCOME TAX LAW OF JAPAN

Reproduced from pp 200-263 of Wartime Legislation in Japan,
A Selection of Important Laws Enacted or Revised in 1941. Translated
and Compiled by the Overseas Department (Dōmei Tsūshin Sha) Tokyo:
Nippon Shōgyō Tsūshin Sha 1941.

Presented in Board of Economic Warfare (now Foreign Economics
Administration) Reoccupation Division, in cooperation with the Enemy
Branch, Japanese Techniques of Occupation: KEY LAWS AND OFFICIAL DOCU-
MENTS, RR-7/ Vol. 1, June 1943, pp 260 to 277 inclusive, RESTRICTED.

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Income Tax Law of Japan

Promulgated on March 29th, 1940

as Law No. 24 of the same year;

Enforced as from April 1st, 1940

Chapter I. General Provisions

Article 1. An individual domiciled or resident for more than one year within the area where the present law is in force shall be liable to pay income tax in accordance with the provisions of the present law.

Article 2. If an individual not coming within the purview of the provision of the preceding article, comes within either of the following numbers, he shall be liable to pay income tax but only in respect of his incomes.

1. If he owns assets or enterprises within the territory where the present law is in force.
2. If he receives payment of interest on public loans, corporation debentures or deposits, or of profits by a joint-operation-trust, within the area where the present law is in force.
3. If he receives a share of profits or interest, or a distribution of surplus funds, from a juridical person with its head office or principal place of business within the area where the present law is in force.
4. If he receives payment of salary, wages, annual allowance, compensation for expenses (limited to that which is paid in monthly or yearly sums, same context following), annuity (excluding the postal annuity, same context following), pension, bonus of retiring allowance or allowances of the nature of those which have been referred to, within the area where the present law is in force.

Article 3. A juridical person, if coming within either of the following numbers, shall be liable to pay income tax but only in respect of its incomes.

1. If it receives payment of interest on public loans, corporation debentures or deposits, or of profits by joint-operation-trust, within the area where the present law is in force;
2. If it receives a share of profits or interest, or a distribution of surplus funds, from a juridical person with its head office or principal place of business within the area where the present law is in force.

Article 4. No income tax shall be imposed on Hokkaido, the prefectures, municipalities, towns, villages and other public bodies as designated by Ordinance; the same shall apply to shrines and to juridical persons established in accordance with the provision of Article 34 of the Civil Code.

Article 5. An individual who is engaged in the manufacture, mining or gathering of staple products as designated by Ordinance, will be exempted from income tax in respect of the income accruing from his enterprise for the initial year of its operation and the three years that follow, as prescribed by Ordinance.

Article 6. With regard to incomes accruing from trust property, the beneficiary receiving the incomes as profits from such act of trust is to be deemed the person who owns the said trust property, and income tax is to be imposed on him as such; but this shall not apply in respect of joint-operation-trust profits paid within the area where the present law is in force.

With regard to the application of the provisions of the preceding paragraph, the trustor or his successor shall be deemed the beneficiary when no beneficiary is specified or when no beneficiary has yet come into existence.

No income tax shall be imposed in respect of incomes accruing from property held in trust for the purpose of public benefit.

Article 7. "Joint-operation-trust" within the meaning of the present law is a monetary trust which has been accepted by trust companies and which, while being the trust property of numerous trustors who do not act collectively, is put into joint operation.

Article 8. The following amount of money are deemed as shares of profits obtained from juridical persons, and as such the present law shall apply to them:

1. When an amount of money, the payment whereof is received on account of the redemption of shares, or an amount of money which is received by way of the refunding of one's own share on account of withdrawal from partnership or as a result of a reduction of capital investment, exceeds the paid-up amount of the shares concerned, the excess amount.

2. When an amount of money which a shareholder or partner receives as a distribution of the remaining property in case of the dissolution of a juridical person, exceeds the paid-up amount of the shares concerned or the amount of the investments concerned, the excess amount;
3. When the paid-up amount of shares or the total amount of investments and the money which is acquired, in the case of merger of juridical persons, by a shareholder or partner of the juridical person having ceased to exist as a result of the merger from the juridical person continuing to be in existence after the merger or established through the merger, exceeds the paid-up amount of the shares originally held, or the amount of the investments originally made, of the shareholder or partner, the excess amount.

Article 9. The income tax shall be divided into two categories; that is, the classified income tax and the composite income tax.

Chapter II. Classified Income Tax

Article 10. Classified income tax shall be imposed in respect of the following income:

Number one -- Real property incomes.

Incomes accruing from the lending of immovables, rights relating to immovables or ships (including the creation of emphyteuses or superficies and all other cases wherein other persons are allowed to use immovables, rights relating to immovables or ships, same context following), provided, however, that which belongs to Class A business incomes shall be excluded.

Number two -- Incomes from dividends and Interest.

Class A: Interest on public bonds, corporation debentures or deposits (limited to deposits in juridical persons) and profits by joint-operation-trust the payment whereof is received within the area where the present law is in force, as well as dividends of profit or interest of distribution of surplus funds received from a juridical person with its head office or principal place of business within the area where the present law is in force.

Class B: Interest on non-business loans as well as interest on public bonds, corporation debentures or deposits, profits by joint-operation-trust and dividends of profits or interest of distribution of surplus funds received from a juridical person, which do not belong to Class A;

Number three -- Incomes from business.

Class A: Incomes from business enumerated below.

RESTRICTED

1. Business of selling commodities (including the selling of animals, plants and those things which are not commonly called commodities)
2. Money-lending business
3. Business of lending commodities (including the lending of animals, plants and those things which are not commonly called commodities)
4. Manufacturing business (including the supply of gas or electricity and the working-up or repairing of goods)
5. Transportation business (including the conduct of affairs relative to transportation or the acceptance of that which is to be transported)
6. Warehousing business
7. Business of contractors
8. Printing business
9. Publishing business
10. Photographing business
11. Business of letting room
12. Hotel business
13. Restaurant business
14. Employment agency business
15. Business of agents
16. Brokerage business
17. Commission agency business
18. Mining enterprises
19. Placer-mining enterprises
20. Public bath business
21. Hair-dressing and/or beauty-culture business
22. Other business as designated by Ordinance

RESTRICTED

Class B: Incomes from farming, stockraising, fishery, etc., incomes of physicians, lawyers, etc. and all other incomes which do not belong to other classes or items;

Number four -- Earned incomes:

Class A: Salaries, wages, annual allowances, compensation for expenses, annuities, pensions (excluding the single-sum pension) and bonuses as well as allowances of the nature of those which have been referred to, provided, however, that the payment thereof received from individuals as designated by Ordinance, shall be excluded.

Class B: Salaries, wages, annual allowances, compensation for expenses, annuities, pensions (excluding the single-sum pension) and bonuses, and allowances of the nature of those which have been referred to, which do not belong to Class A.

Number five -- Incomes from forests

Number six -- Retirement incomes

Class A: Single-sum pension and retiring allowances as well as allowances of the nature of those which have been referred to, the payment whereof is received within the area where the present law is in force.

Class B: Single-sum pension and retiring allowance as well as allowances of the nature of those which have been referred to, which do not belong to Class A.

Article 11. No classified income tax shall be imposed in respect of the incomes which come within the purview of any of the following numbers:

1. Salaries, allowances and bonuses of men in the fighting services or civilian attached thereto who are at the front.
2. Pensions of the wounded or the sick as well as pensions and annuities of bereaved families.
3. Travelling expenses, school expenses and legal allowances.
4. Interest on postal savings and interest on current deposits as designated by Ordinance.
5. Interest on savings deposited in a bank, the principal whereof does not exceed 3,000 yen, interest on deposits in cooperative associations and interest on other deposits as designated by Ordinance.

6. Any portion of Class B business income which is a temporary income other than that accruing from continual activity for the purpose of profit-making.

7. Incomes of a person who is not of Japanese nationality, which accrue from assets, businesses or occupations outside the area where the present law is in force. The principal as referred to in Clause 5 of the preceding paragraph shall be calculated as prescribed by Ordinance.

Article 12. Incomes which are subject to the imposition of classified income tax shall be calculated in accordance with the provision of the following numbers:

1. As for real property incomes, an amount which is calculated by deducting necessary expenses (including interest on debts incurred in order to secure incomes, same context following) from the total amount of incomes during the preceding year.
2. As for Class A incomes from dividends and interest, the amount of payment to be received, provided, however, that it shall be an amount which is calculated by deducting one-tenth from the amount of payment to be received in the case of dividends of profit or interest or a distribution of surplus funds received from a juridical person.
3. As for Class B incomes from dividends, and interest, the amount of incomes from March 1 of the preceding year up to the end of February of the year concerned in the case of dividends of profit or interest or distribution of surplus funds received from juridical persons, or the amount of incomes during the preceding year (in other cases in respect of dividends on unincorporated shares as well as interest on unincorporated public bonds and corporation debentures, the amount of payments received).
4. As for business incomes, an amount which is calculated by deducting necessary expenses from the total amount of incomes during the preceding year, provided, however, that it shall be an amount which is calculated on the basis of the average of the total amount of incomes minus necessary expenses for each of the preceding three years as prescribed by Ordinance in the case of incomes from fishery enterprises.
5. As for Class A earned incomes, the amount of payments to be received.
6. As for Class B earned incomes, the amount of incomes during the preceding year.

7. As for incomes from forests, an amount which is calculated by deducting necessary expenses from the total amount of incomes during the preceding year.

8. As for Class A retirement incomes, an amount which is calculated by deducting 10,000 yen per one payer from the amount of payments to be received.

9. As for Class B retirement incomes, an amount which is calculated by deducting 10 per cent one payer from the amount of incomes during the preceding year. Income tax and excess profit tax shall not be included in the calculation of the necessary expenses as referred to in Number 1, 4 and 7 of the preceding paragraph.

The amount of excess profit tax on business profits is to be deducted from the amount of Class A business incomes for the year the said excess profit tax is to be imposed.

In cases where there are Class A business incomes which are subject to income tax and other Class A business incomes, the excess profit tax to be deducted in accordance with the provisions of the preceding paragraph shall be calculated as prescribed by Ordinance.

With regard to real property incomes, the incomes from dividends and interest and the income from forests, the incomes of the predecessor shall be deemed the incomes of the successor, while in respect to assets or business which have been inherited, the successor shall be deemed as continuing to be in possession of the same, and the incomes concerned shall be calculated as such.

Article 13. If a person other than the possessor of the principal receives payment of interest in respect of public bonds or corporation debentures, the possessor of the principal shall be deemed the person receiving the said payment in the calculation of Class B incomes from dividends and interest, provided, however, that when changes occur in the possessors of the principal during the interest-bearing period, the final possessor shall be deemed the person receiving the payment of interest.

Article 14. On real property incomes no classified income tax shall be imposed unless such incomes amount to 250 yen.

The real property incomes of the head of a house and of members of the house living with him shall be added together, and the provision of the preceding paragraph shall apply in respect of the total amount; the same shall hold good in respect of the real property incomes of two or more members of the house who live separately from the head of the house.

Article 15. On Class B incomes from dividends and interest no classified income tax shall be imposed unless such incomes amount 100 yen.

The provisions of Paragraph 2 of the preceding article shall apply with necessary modifications in respect of the preceding paragraph.

Article 16. With regard to Class A earned incomes, an amount which has been calculated according to the period of payment of the remunerations at the rate of 720 yen per annum shall be deducted from the remunerations as prescribed by Ordinance.

In the case of a person who receives both a bonus and an allowance of the nature of a bonus and other remunerations from one and the same payer, the deduction referred to in the preceding paragraph shall be made first in respect of remunerations other than the bonus or the allowance of the nature of a bonus, and if and when there is a deficit, be extended to the bonus or the allowance of the nature of a bonus, as prescribed by Ordinance.

With regard to a person who receives Class A earned incomes from two or more payers, the deduction as based on the provisions of the preceding two paragraphs shall be made as prescribed by Ordinance.

Article 17. With regard to business incomes and Class B earned incomes, the following amounts of money shall be deducted from the incomes as prescribed by Ordinance;

1. In respect of business incomes: 500 yen
2. In respect of Class B earned incomes: 720 yen.

No deduction by virtue of the provision of Number 1 of the preceding paragraph shall be made in respect of business incomes of a person who has both business incomes and Class B earned incomes, provided, however, that an amount representing the difference between 500 yen and an amount corresponding to 5/7.2 of Class B earned incomes shall be deducted from business incomes, when Class B earned incomes amount to less than 720 yen, as prescribed by Ordinance.

Article 18. With regard to business incomes or Class B earned incomes of a person who obtained a deduction by virtue of the provisions of Paragraph 1 of Article 16 during the preceding year in respect of Class A earned incomes, no deduction by virtue of the provisions of the preceding article shall be made, provided, however, that when the amount which was deducted in accordance with the provisions of Paragraph 1 of Article 16 during the preceding year in respect of Class A earned incomes is less than 720 yen, the following amounts of money shall be deducted from the incomes as prescribed by Ordinance:

1. An amount representing the difference between 500 yen and an amount corresponding to 5/7.2 of the amount deducted in accordance with the provisions of Paragraph 1 of Article 16, in the case of business incomes.

2. An amount representing the difference between 720 yen and the amount deducted in accordance with the provisions of Paragraph 1 of Article 16, in the case of Class B earned incomes.

3. An amount determined by Ordinance in respect of incomes in cases where there are incomes as referred to in the preceding two numbers.

Article 19. In cases where the head of a house and two or more members of the house who live together have business incomes, the total of the amounts to be deducted from such incomes in accordance with the provisions of the preceding two articles shall not exceed 500 yen; the same shall hold good in respect of the business incomes of two or more members of the house who live together but apart from the head of the house.

In cases of the application of the provisions of the preceding paragraph, the amount to be deducted in accordance with the provisions of the preceding two articles shall be deducted from the incomes of one of several of the persons liable for the payment of taxes as prescribed by Ordinance.

Article 20. With regard to incomes from forests, 500 yen shall be deducted from such incomes.

The provisions of the preceding article shall apply with necessary modifications in respect of the case in the preceding paragraph.

Article 21. Classified income tax shall be imposed at the following rates:

Number one -- Real property incomes; 10 per cent
Number two -- Incomes from dividends and interest

Class A:

1. Interest on national bonds: 4 per cent
2. Interest on public bonds other than national bonds: 9 per cent
3. Others: 10 per cent

Class B: 10 per cent:

Number three -- Business incomes.

Class A: 8.5 per cent

Class B: 7.5 per cent

Number four -- Earned incomes: 6 per cent
Number five -- Incomes from forests

The amount of incomes shall be divided into the following grades and the various rates shall be applied as follows:

Amount not exceeding 1,600 yen: 5 per cent
Amount exceeding 1,600 yen: 7.5 per cent

Number six -- Retirement incomes.

The amount of incomes shall be divided into the following grades for each different payer and corresponding rates of tax shall be applied as follows:

Amount not exceeding 20,000 yen: 6 per cent
Amount exceeding 20,000 yen: 12 per cent
Amount exceeding 100,000 yen: 25 per cent
Amount exceeding 500,000 yen: 40 per cent

With regard to interest on savings deposited in banks, deposits in cooperative associations and other deposits as designated by Ordinance and distribution of surplus funds received from juridical persons as designated by Ordinance, such as cooperative, industrial and commercial associations, the 10 per cent rate of tax as provided in Number 3 of Class A incomes from dividend and interest of the preceding paragraph, shall be changed to 5 per cent.

If the amount of business incomes, as it stands prior to the deduction by virtue of the provisions of Article 17 or Article 18, is less than 1,000 yen, the 8.5 per cent and 7.5 per cent rates of tax as provided for in Paragraph 1 in respect of Classes A and B business incomes, shall each be changed to 6 per cent.

The business incomes of the head of a house and of members of the house who live together shall be added together, and the provisions of the preceding paragraph shall apply to the total; the same shall hold good in respect of the business incomes of two or more members of a house living together but apart from the head of the house.

Article 22. Classified income tax on Class A incomes from dividends and interest of an individual who does not come within the purview of the provisions of Article 1 or a juridical person having no head office or principal place of business within the area where the present law is in force, shall, notwithstanding the provisions of the preceding article, be imposed at the following rates:

1. Interest on national bonds: 9 per cent
2. Interest on public bonds other than national bonds: 14 per cent
3. Interest on deposits as provided for in Paragraph 2 of the preceding article and distribution of surplus funds: 10 per cent
4. Others: 15 per cent

Classified income tax on a bonus or allowance of the nature of a bonus which is paid by way of disposal of profits or surplus funds and which is received by an individual who does not come within the purview of the provisions of Article 1, from a juridical person having its head office or principal place of business within the area where the present law is in force shall, notwithstanding the provisions of the preceding article, be imposed at the rate of 15 per cent.

Article 23. The amount of the classified income tax on Class A incomes from dividends and interest which a trust company has paid in respect of trust property comprising a joint-operation-trust which it has accepted, shall be deducted, as prescribed by Ordinance, from the amount of the classified income tax on the profits accruing from the said trust.

Classified income tax on Class A incomes from dividends and interest which is to be deducted in the case of the preceding paragraph, shall be added to the profits accruing from the said joint-operation-trust in calculating Class A incomes from dividends and interest.

Article 24. With regard to the classified income tax on Class A earned income, and amount of money corresponding to 8 per cent of an amount which has been calculated according to the period of payment of remunerations at the rate of 150 yen per annum for each member of a house actually being supported on January 1 of the year concerned shall be deducted from the amount of the classified income tax prescribed by Ordinance.

In the case of a person receiving both a bonus or an allowance of the nature of a bonus and other remunerations from one and the same payer, the deduction as referred to in the preceding paragraph shall be made first in respect of the classified income tax on remunerations other than the bonus or the allowance of the nature of a bonus, and if and when there is a deficit, it shall be extended to the classified income tax on the bonus or the allowance of the nature of a bonus as prescribed by Ordinance

With regard to a person who receives Class A earned incomes from two or more payers, the deduction by virtue of the provisions of the preceding two paragraphs shall be prescribed by Ordinance.

In case a member of a house being supported, as referred to in Paragraph 1, has received Class A earned incomes during the preceding year or has received business incomes, Class B earned incomes or incomes from forests for the year concerned, no deduction by virtue of the provisions of Paragraph 1 shall be made in respect to the said member of the house being supported, if the total of the amounts for deduction from the incomes in accordance with provisions of Paragraph 1 of Article 16, 17 and 18 or Paragraph 1 of Article 20 exceeds 150 yen.

When the deduction by virtue of the provisions of Paragraph 1 of Article 25 is made in respect to a member of the house being supported as referred to in Paragraph 1, no deduction by virtue of the provisions of Paragraph 1 shall be made in respect to the said member of the house being supported.

When a person who has Class A earned incomes is a person subject to the imposition of the composite income tax, no deduction by virtue of the provisions of Paragraph 1 shall be made in respect of the remunerations received from July 1 of the year in which he is subject to the imposition up to June 30 of the following year.

Article 25. With regard to classified income tax on real property incomes, business incomes, Class B earned incomes or incomes from forests, an amount corresponding to 8 per cent of 150 Yen per one member of the house actually being supported on January 1 of the year concerned shall be deducted from the amount of the classified income tax as prescribed by Ordinance.

The provisions of Paragraph 4 of the preceding article shall apply with necessary modifications in respect of the preceding paragraph.

When the deduction by virtue of the provisions of Paragraph 1 of the preceding article is made in respect to a member of the house being supported as referred to in Paragraph 1, no deduction by virtue of the provisions of Paragraph 1 shall be made in respect to the said member of the house being supported.

Classified income tax on the head of house and on members of the house living together shall be added together, and the provisions of Paragraph 1 shall apply in respect of the total; the same shall hold good in respect of the classified income tax on two or more members of a house who live together but apart from the head of the house.

The amount of money to be deducted in the case of the preceding paragraph shall be deducted from the classified income tax on one or several of the persons liable for the payment of taxes as prescribed by Ordinance.

When a person who has incomes as referred to in Paragraph 1 is a person subject to the imposition of the composite income tax, no deduction by virtue of the provisions of the said paragraph shall be made.

Article 26. "A member of the house being supported," within the meaning of the present law, is the wife who, belonging to the person with the incomes concerned, lives with him, or the head of the house or any member of the house who is 18 years of age and downward or 60 years of age and upward, or those crippled or disabled who are living with the said person.

The crippled or disabled persons as provided for in the preceding paragraph shall be prescribed by Ordinance.

Article 26 (2). If there are insurance premiums which have been paid for a life insurance policy with the payer himself or his family or his successor as the beneficiary, an amount corresponding to 6 per cent of an amount prescribed by Ordinance within the limits of 200 yen per annum, out of the insurance premiums, shall be deducted from the amount of classified income tax on real property, business, earned or forestry incomes, as prescribed by Ordinance.

Article 27. The provisions of Article 24 and 25 and of the preceding article shall not apply in respect of a person liable for the payment of taxes by virtue of the provisions of Article 2.

Chapter III. Composite Income Tax

Article 28. Composite income tax shall be imposed in respect of gross incomes of individuals, provided, however, that in the case of an individual who does not come within the purview of the provisions of Article 1, the said income tax shall be imposed only in respect of incomes accruing from assets of business within the area where the present law is in force.

Article 29. No composite income tax shall be imposed in respect of incomes falling within the purview of the following numbers:

1. Incomes as referred to in Number 1 to 5 and Number 7 of Paragraph 1 of Article 11

2. Temporary incomes other than those which have accrued from continual activity for the purpose of profit-making, as in the case of incomes referred to in Number 9 of Paragraph 1 of Article 30

3. Single-sum pensions and retiring allowances as well as allowances of the nature of those which have been referred to.

Article 30. Gross incomes of individuals shall be calculated in accordance with the provisions of the following numbers:

1. In the case of incomes from the lending of immovables, of rights relating to immovables or of ships, the amount of gross incomes during the preceding year minus necessary expenses.

2. In the case of interest on public bonds, corporation debentures, deposits in banks, and deposits as provided for in Paragraph 2 of Article 21, as well as profits by joint-operation-trust as designated by Ordinance, payment of which is received within the area where the present law is in force, the amount of income (in respect of interest on unscribed public bonds and corporation debentures, the amount of payments received) during the preceding year minus 40 per cent of the amount.

3. In the case of interest on public bonds, corporation debentures and deposits as well as profits by joint-operation-trust other than those which are referred to in the preceding number, the amount of income (in respect of interest on unscribed public bonds and corporation debentures, the amount of payments received) during the preceding year.

4. In the case of interest on non-business loans, the amount of income during the preceding year minus the interest on debts incurred in order to obtain the principal.

5. In the case of dividends of profit or interest of distribution of surplus funds received from a juristic person, the amount of income (in respect of unindiscribed shares, the amount of payment received) from March 1 of the preceding year up to the end of February of the year concerned minus the interest on debts incurred in order to obtain the principal.

6. In the case of incomes from forest, the amount of gross incomes during the preceding year minus necessary expenses.

7. In the case of salaries, wages, annual allowances, compensation for expenses, annuities, pensions and bonus or allowances of the nature of those which have been referred to, the amount of income during the preceding year.

8. In the case of incomes accruing from fishery enterprises, an amount which has been calculated on the basis of the average of the amount of gross incomes minus expenses for each of the preceding three years, as prescribed by Ordinance.

9. In the case of incomes other than those which are referred to in the foregoing numbers, the amount of gross incomes during the preceding year minus necessary expenses. Income tax and excess profit tax shall not be included in the calculation of the necessary expenses as referred to in Numbers 1,6,8 and 9 of the preceding paragraph.

The amount of excess profit tax on profits accruing from business shall be deducted from the amount of gross incomes for the year in which the said excess profit shall be imposed.

The provision of Paragraph 4 of Article 12 shall apply with necessary modifications in respect of excess profit tax as referred to in the preceding paragraph.

With regard to incomes referred to in Number 1 to 6 of Paragraph 1, incomes of the predecessor shall be deemed the incomes of the successor; while with regard to incomes referred to in Numbers 8 and 9, the assets or business which have been inherited shall be deemed as continuing to be in the possession of the successor, and the incomes concerned shall be calculated as such.

The provisions of Article 13 shall apply with necessary modifications in respect of the calculation of gross incomes of individuals.

Article 31. When the amount of gross incomes which has been calculated in accordance with the provisions of the preceding article does not exceed 10,000 yen, a deduction of one-tenth shall be made in respect of that portion of income which comes within the purview of Number 7 Paragraph 1 of the said article.

Incomes of the head of the house and those of its members living with him shall be added together, and the provisions of the preceding paragraph shall apply in respect of the total; the same shall hold good in respect of incomes of two or more members of a house who live together but apart from the head of the house.

Article 32. If the amount of gross incomes does not exceed 5,000 yen, no composite income tax shall be imposed; the same shall hold good if the amount of gross income is less than 5,000 yen on account of a deduction made by virtue of the provisions of the preceding article.

Dividends of profit and incomes from forests and other incomes as provided in Article 8, shall be set apart from one another and the provisions of the preceding paragraph shall apply in respect of each division of incomes.

The provisions of Paragraph 2 of the preceding article shall apply with necessary modifications in respect of the preceding two paragraphs.

Article 33. Composite income tax shall be imposed by dividing the amount of gross income into the following grades and by applying the varying tax rates successively thereto; provided, however, that dividends of profit and incomes from forests, as provided in Article 8 shall each be set apart from other incomes and the amount of tax thereon shall be

five times as much as the amount which has been calculated by applying a tax rate of 5 per cent to that portion of the amount representing one-fifth of the incomes concerned in case the said portion exceeds 1,000 yen but does not exceed 5,000 yen by applying the tax rates as provided in the present paragraph in case the said portion exceeds 5,000 yen.

Amount exceeding	5,000 yen:	10 per cent
Amount exceeding	8,000 yen:	15 per cent
Amount exceeding	12,000 yen:	20 per cent
Amount exceeding	20,000 yen:	25 per cent
Amount exceeding	30,000 yen:	30 per cent
Amount exceeding	50,000 yen:	35 per cent
Amount exceeding	80,000 yen:	40 per cent
Amount exceeding	120,000 yen:	45 per cent
Amount exceeding	200,000 yen:	50 per cent
Amount exceeding	300,000 yen:	55 per cent
Amount exceeding	500,000 yen:	60 per cent
Amount exceeding	800,000 yen:	65 per cent

In the case of the preceding paragraph, the amount of gross incomes of the head of the house and those of its members living with him shall be added together and the amount of tax in respect of each of them shall be determined by dividing the amount which has been calculated by applying tax rates to the total in proportion to each amount of gross income; the same shall hold good also in respect of the amount of gross income of members of a house who live together but apart from the head of the house.

When there is a portion of gross income which is received from a juridical person as dividends of profit or interest or distribution of surplus funds and which has been deemed Class A incomes from dividends and interests and as such subjected to the imposition of classified income tax, the total of an amount which has been calculated by applying the provisions of the preceding two paragraphs to the amount of gross income and an amount corresponding to 1 per cent of the amount of income as the said dividends of profit or interest or said distribution of surplus funds (in respect to dividends on unincorporated shares, the amount of payments received) from March 1 of the preceding year up to the end of February of the year concerned, shall be the amount of composite income tax on the gross income.

When there is a portion of distribution of surplus funds, as provided in the preceding paragraph, which is obtained from a juridical person, as designated by Ordinance, such as a cooperative, and industrial or a commercial association, the rate of 1 per cent provided for in the preceding paragraph shall be replaced by that portion.

Article 34. A person who is liable to pay classified income tax in respect of real property incomes, Class B incomes from dividends and interest, business incomes, Class B earned incomes, incomes from forests of Class B retirement incomes, or a person who is liable to pay composite income or a person who is liable to pay composite income tax in respect of gross incomes of individuals, shall report to the Government the kinds and amounts

of income and other necessary matter by March 15 every year, as prescribed by Ordinance.

A person who desires to obtain a deduction by virtue of the provisions of Article 25 shall present a written application therefor as prescribed by Ordinance, simultaneously with the report referred to in the preceding paragraph.

Article 35. A person who has Class A earned incomes shall, as prescribed by Ordinance, make a declaration to the Government of necessary matters pertaining to the deduction by virtue of the provisions of Article 16.

A person who desires to obtain a deduction by virtue of the provisions of Article 24 shall present a written application therefor to the Government as prescribed by Ordinance.

Article 36. The amounts of real property income, Class B incomes from dividends and interest, business income, Class B earned incomes from forests and Class B retirement incomes, as well as the amount of gross incomes of individuals, shall be determined by the Government on the basis of an investigation made by the Income Investigation Committee.

If an omission has been found in respect of the decision of the amount of incomes as referred to in the preceding paragraph after the adjournment of the Income Investigation Committee, the amount of the incomes concerned may still be determined by the Government on the basis of an investigation made by the Income Investigation Committee for three years from the year following that in which the decision ought to have been made.

If, after the adjournment of the Income Investigation Committee, a person having an income as referred to in Paragraph 1, has reported that he is liable to pay tax, or a person who is liable to pay tax has reported that there has been an increase in the amount of his income, the amount of income concerned shall be determined by the Government notwithstanding the provisions of the preceding two paragraphs.

Chapter IV. Declaration, Application, Investigation and Decision.

When a person who is liable to pay taxes ceases to have a domicile or place of residence within the area where the present law is in force, without giving notice of an agent to take charge of payment of his taxes, prior to the decision of incomes by virtue of the provisions of Paragraph 1, the amount of such incomes may be determined by the Government on the basis of its investigation, notwithstanding the provision of Paragraph 1.

The provision of the preceding four paragraphs shall not apply in respect of a person who is deemed to have no assessable amount for taxation as a result of the deduction by virtue of the provisions of Article 25 of Article 26 (2).

Article 37. In case the Income Investigation Committee fails to be constituted by May 31, the amount of income involved shall be determined by the Government.

In case the Income Investigation Committee fails to complete the investigation within the period referred to in Article 58 from the day of its opening, or by March 31, the amount of incomes, the investigation whereof has not been completed, shall be determined by the Government.

Article 38. In case the Government deems any decision of the Income Investigation Committee to be improper, the matter shall be referred back for re-investigation within a period not exceeding seven days for so doing, and in case the decision is again deemed improper, or in case the investigation fails to be completed within the period specified for re-investigation, the amount of income shall be determined by the Government.

Article 39. When the amount of income has been determined in accordance with the provisions of the preceding three articles, the Government shall notify the person liable to pay taxes of its decision.

In case a person liable to pay taxes, and who has no domicile or place of residence within the area where the present law is in force, fails to give notice of an agent to take charge of payment of taxes, the notification as referred to in the preceding paragraph may be made in the form of a public notice. In such case, it shall be deemed that the notification has been made if and when seven days have elapsed after the first day on which it was published.

Chapter V. Income Investigation Committee.

Article 40. An Income Investigation Committee shall be organized within the jurisdiction of each taxation office; provided, however, that in respect to a municipality within the jurisdiction of a taxation office, an Income Investigation Committee may be specially organized by Ordinance.

The numbers of an Income Investigation Committee shall be prescribed by Ordinance; but any increase or reduction in the number may be made only at the time of re-election.

Article 41. Members of an Income Investigation Committee shall be elected in each electoral district.

When the election of members of an Income Investigation Committee takes place, the same number of reserve members shall be elected at the same time.

Article 42. The electoral district for members and reserve members of an Income Investigation Committee shall be based on the district within which an Income Investigation Committee shall be appointed, and the voting district and the counting district shall be determined by the limits of a municipality, town or village; but in the case of a municipality which has been designated in accordance with the provisions of Article 6 or Paragraph 3 of Article 82 of the Law Governing the Organization of Municipalities, the limits of a ward shall form the basis.

An association of towns and villages which deals jointly with the whole of the affairs of the towns and villages or the affairs of their offices, shall be deemed individual towns or villages; and in the case of an area where the Law Governing the Organization of Townships and Corporate Villages is not in force, that which corresponds to a town or village shall be deemed a town or village.

Article 43. Persons who reside or live within the electoral district and who, in respect of incomes as referred to in Paragraph 1 of Article 36 or the businesses of individuals, have reported the amount of income or the amount of net profit by the legal time-limit in the year concerned and have obtained a decision thereon, and who have been registered in the poll-register, may elect members and reserve members of an Income Investigation Committee or may be elected members or reserve members of the said Committee; provided, however, that persons who come within the purview of one of the following numbers shall be excepted:

1. Persons who are disabled
2. Insolvents who have not been reinstated
3. Persons who have been subjected to a process for recovery of national taxes in arrears, less than one year before
4. Persons who have been condemned to penal servitude or imprisonment for six years or more, or who have been penalized for felony under the Old Criminal Code
5. Persons who have been sentenced to penal servitude or imprisonment for less than six years and who have not yet served the term or been freed from the execution of the sentence
6. Persons who have been sentenced to a penalty of no less than imprisonment in accordance with the provisions of Article 94 or Article 95 and have served the term or obtained exemption from the execution of the sentence except by prescription, less than five years before
7. Persons who have been punished with a fine or minor fine in accordance with the provisions of Articles

88 to 95 or the provisions of Articles 33 to 35 of the Business Tax Law, if the case has been decided less than five years before.

In case where an election is to be held prior to the decision of the amount of net profit for the year concerned, the payment of income tax in respect of incomes as referred to in Paragraph 1 of Article 36 or the business of individuals during the preceding year, shall be deemed a decision obtained in regard to the amount of income or the amount of net profit for the year concerned.

In case of the preceding two paragraphs, the decision of the amount of income or the amount of net profit which has been made in respect of a predecessor shall be deemed as the decision on the amount of income or the amount of net profit which has been made in respect of his successor, and payment of such taxes or the declaration made by a predecessor shall be deemed as payment of taxes or declaration made by his successor.

The provisions pertaining to the poll-register shall be prescribed by Ordinance.

Article 44. Affairs pertaining to the voting and the opening of ballots shall be in charge of the heads of municipalities, wards, towns, or villages, and affairs pertaining to election meetings shall be in charge of the superintendent of taxation offices.

In respect to associations of towns or village referred to in Paragraph 2 of Article 42, the administrators of the associations, and in respect to the areas where the Law Governing the Organization of Townships and Corporate Villages is not in force, those who correspond to the headmen of towns or villages, shall be deemed the headmen of towns or villages.

Article 45. The superintendent of taxation offices shall determine the date for the election of members or reserve members of an Income Investigation Committee and notify the heads of municipalities, wards, towns or villages of the same.

When the heads of municipalities, wards, towns or villages have received the notification referred to in the preceding paragraph, they shall issue a public notice to the effect at least seven days prior to the date for election.

Article 46. The election shall be conducted by secret voting.

The balloting shall be limited to one vote for each person of the election of members and of reserve members of the Income Investigation Committee.

The electors shall go to the polling places in person within the hours fixed for balloting on the day of election and shall vote by stating the full name of one candidate, each name on a separate voting paper.

The voting paper shall be handed to the elector at the polling-booth on the day of election.

Article 47. The heads of municipalities, wards, towns or villages shall investigate the votes cast and immediately report the results to the superintendents of taxation offices.

Article 48. When the superintendents of taxation offices have received the report, as referred to in the preceding article, they shall hold election meetings to conduct an investigation of the same.

Article 49. The presence of witnesses shall be required at the voting, the opening of ballots, and at election meetings.

The provisions pertaining to witnesses shall be prescribed by Ordinance.

Article 50. Persons who have polled the largest number of votes shall be returned. If the number of votes is the same, the older person is to be selected and if the ages are the same, the selection shall be decided by drawing lots.

Persons who have been elected members of an Income Investigation Committee may not be reserve members even though they may have been elected reserve members at the same time.

Article 51. When the election of members and reserve members of an Income Investigation Committee has been completed, the superintendents of taxation offices shall publish the full names of the persons elected and also notify the persons elected and the headmen of the municipalities, wards, towns and villages.

When the headmen of the municipalities, wards, towns and villages have received the notification as referred to in the preceding paragraph, they shall publish the full names of the person elected.

Article 52. Persons who have been elected members or reserve members of an Income Investigation Committee may not decline to serve on the Committee without good reason.

Article 53. The term of office of members and reserve members of an Income Investigation Committee shall be four years calculated from the month in which the election day falls.

In cases where a change in the limits of the electoral district has resulted in an increase or decrease by over one-fifth of the total number of persons within the district concerned who have obtained decisions of the amounts of income for the year concerned in respect of incomes as referred to in Paragraph 1 of Article 36 and or who have obtained decisions of the amounts of net profit for the year concerned in respect of the businesses of individuals, the term of office of members and reserve members of an Income Investigation Committee shall terminate with the month in which the day of such change in the electoral district falls; but the term of office shall terminate with March if such change

in the electoral district occurs in January or Feb., with Sept if such change occurs in April to August or with March of the following year if such change occurs in December.

The provisions of Paragraph 2 of Article 43 shall apply with necessary modifications in respect of cases where a change in the limits of the electoral district has occurred prior to the decision of the amounts of income and the amounts of net profit for the year concerned.

Article 54. The re-election of members and reserve members of an Income Investigation Committee shall be held in the month following that in which the term of office of the predecessors terminates.

Article 55. When a vacancy has occurred in an Income Investigation Committee, the person to fill the vacancy shall be selected from among the reserve members polling the largest number of votes in order, and if the number of votes polled is the same, the older person shall be selected, and if the ages are the same, the selection shall be decided by drawing lots.

When a vacancy has occurred in an Income Investigation Committee and there is no reserve member to fill the vacancy, a by-election of members of the Income Investigation Committee shall be held.

Article 56. A person who has become a member of an Income Investigation Committee or a reserve member thereof shall continue in office for the remaining term of office of the predecessor.

The term of office of members and reserve members of an Income Investigation Committee who have been newly elected as a result of a change in the limits of the electoral district, shall terminate four years from the month in which the date of election occurs of the members and reserve members of the Income Investigation Committee prior to such change in the electoral district.

Article 57. When a member or reserve member of an Income Investigation Committee has come with the purview of any of the numbers of Paragraph 1 of Article 43 or when he has ceased to be liable to pay taxes in respect either of income tax or incomes as referred to in Paragraph 1 Article 36, or of business tax, or when he has ceased to reside within the electoral district concerned, he shall be disqualified from holding office

Article 58. The number of days an Income Investigation Committee shall be in session may not exceed 30 and shall be prescribed by Ordinance according to local conditions.

Article 59. An Income Investigation Committee shall open its session according to the notification of the superintendent of the taxation office concerned.

Article 60. An Income Investigation Committee shall elect a chairman from among its members at the beginning of the session every year.

Article 61. The superintendent of the taxation office shall investigate the amount of incomes of persons who are deemed to be liable for payment of taxes in respect of incomes as referred to in Paragraph 1 of Article 36 every year, and shall forward the returns to the Investigation Committee.

The provisions of the preceding paragraph shall not apply in respect of a person who is deemed to have no assessable amount for taxation as a result of the deduction by virtue of the provisions of Article 25 or Article 26 (2).

The provisions of the preceding two paragraphs shall apply with necessary modifications in respect of Paragraph 2 of Article 36.

Article 62. An Income Investigation Committee may not pass a resolution unless a majority of its full membership is in attendance.

Matters for deliberation shall be decided by a majority vote of the members present. In case of a tie, it shall abide by the decision of the chairman.

Article 63. No member of an Income Investigation Committee shall take part in deliberations on matters pertaining to his own income or of a person who is in the same census register as himself.

Article 64. The superintendent of the taxation office of his deputy may attend the meetings of the Income Investigation Committee and state his opinion.

Article 65. Members of an Income Investigation Committee shall be granted allowances and travelling expenses.

Article 66. No member of an Income Investigation Committee shall act as an agent of persons liable to payment of taxes, or be engaged in the business of giving counsel to such persons, or conduct such business for remuneration, as regard to an application for investigation, petition, or the institution of a lawsuit at the Court of Administrative Litigation concerning the standard amount of assessment which has been determined on the basis of an investigation by an Income Investigation Committee of which he is a member.

Articles 67 to 110 of Chapter 4 (Concerning investigation, lawsuit and administrative litigation) omitted.

APPENDIX E

MAJOR CHANGES IN MINISTRIES IN 1942-43

I. GREATER EAST ASIA MINISTRY

The first major change came in November 1942 when the Greater East Asia Ministry was established with jurisdiction over all economic, political and cultural matters in the territories outside Japan, including Korea, Formosa, Karafuto, China, and the southern regions. Purely diplomatic relationships, which are of secondary importance in areas completely dominated by Japan, remained with the Ministry of Foreign Affairs. The new ministry has replaced entirely the former Ministry of Overseas Affairs; has taken over from the Ministry of Foreign Affairs the work of the East Asia Bureau and the South Sea Bureau; and has eliminated the independent boards of China Affairs and Manchurian Affairs. Advices up to 1 May 1944 indicate that the Greater East Asia Ministry comprised the following Bureaux:

1. General Affairs
2. Manchurian Affairs
3. China Affairs
4. Southern Regions Affairs
5. Trade

An equally important reorganization of Cabinet ministries took place in November 1943. New Powers and administrative responsibilities were added to the Greater East Asia Ministry. It was in this reorganization that the Trade Bureau, listed above, was moved over from the Commerce and Industry Ministry. Apparently, too, in November 1943 the Greater East Asia Ministry acquired cognizance over the local administration of Korea, Formosa and Karafuto by transfer of this responsibility from the Ministry of Home Affairs where it had been temporarily lodged in the November 1942 reorganization.

II. MUNITIONS MINISTRY

The November 1943 reorganization also included the establishment of new ministries in answer to the complex demands of an expanding war economy. Most important was the creation of the Munitions Ministry and with it the abolition of the Cabinet Planning Board and transfer of its functions and most of the functions of other ministries relating to

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war production. The new Munitions was given control of national mobilization, production of raw materials for key industries, production, distribution, consumption and pricing of mineral and industrial products, regulation of labor, wages, and capital commodities, the generation of electric power, and the monopoly of petroleum and alcohol. It included the following bureaux:

1. Total Mobilization.
2. Aircraft and Ordnance.
3. Machinery.
4. Iron and Steel.
5. Light Metals.
6. Non Ferrous Metals.
7. Chemicals.
8. Fuel.
9. Electric Power.
10. Headquarters for the Adjustment of Enterprise.

III. MINISTRY OF AGRICULTURE AND COMMERCE

At the same time a new Ministry of Agriculture and Commerce supplanted the Ministries of Commerce and Industry, and of Agriculture and Forestry. Control was given over the price, production and distribution of agricultural, forestry, livestock, textile and many other products of civilian use. It included the following bureaux:

1. General Affairs.
2. Agricultural Administration.
3. Forestry.
4. Marine Products.
5. Textiles.
6. Commodities.
7. Commodity Price.
8. Food.
9. Horses

IV. MINISTRY OF TRANSPORTATION AND COMMUNICATIONS

Finally the Ministry of Transportation and Communications was formed by a consolidation of the Ministries of Communications and of Railways. All forms of Communication and Transportation were put under its jurisdiction including the management of warehouses, harbors, ports

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air facilities and weather stations. It included the following bureaux:

1. Railways.
2. Sea Transportation.
3. Motor Vehicles.
4. Harbors.
5. Aviation.
6. Communications.
7. Planning.

There doubtless have been some changes in constitutional usage but these will have to await further information for interpretation. An apparent change of some significance has been the decline of the Diet as a deliberative body having close legislative supervision of administration and as a sounding board of public opinion. In its place a body called the Imperial Rule Assistance Association has gradually assumed these functions in much the same way as the "Party" in other axis dictatorships. The effect has been to make more absolute the control of the government and the military over the whole life of the people.

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EXPLANATORY NOTE CONCERNING APPENDIX F

The material in the appendix is a translation from Taiwan Jijū (Conditions in Formosa), published 10 December 1939, Taikoku City. This is an official publication of the Taiwan Government-General. The preface of the book states:

"This publication is issued annually for the purpose of giving the public a bird's eye view of institutions in Taiwan. Facts published in this volume have been compiled mostly from reports of the preceding calendar year. Wherever possible results of the most recent surveys and investigations have been included."

The translation was prepared by the Military Government Section, Central Division, Office of the Chief of Naval Operations, United States Navy.

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APPENDIX F

FINANCES OF THE TAIWAN GOVERNMENT-GENERAL

SECTION I. ANNUAL ACCOUNT

A. SPECIAL ACCOUNT OF THE TAIWAN GOVERNMENT-GENERAL

This account began with the 1895 military expenditure and it became the general account in 1896. Since 1897 it has been carried as the government-general special account. It was to be continued up until 1909 with the Taiwan annual revenue together with the funds received as subsidy from the general account, but because of the development of Taiwan's finances it has not received subsidy funds from the general account since 1905 and has become financially independent. Measuring the development of Taiwan's finances by the annual revenues, from the beginning of the special account until ten years later (1907) they had increased three times; ten years later (1917) they had increased six times; by 1927 they had increased twelve times; and by 1937, eighteen times.

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Table No. F-1

SPECIAL ACCOUNT OF THE TAIWAN GOVERNMENT-GENERAL

Revenue and Expenditure (in yen)

Year	Revenue			Expenditure		
	Ordinary	Special	Total	Ordinary	Special	Total
(Statistics for some years between 1897 and 1921 are also available)						
1927	93,215,763	45,411,067	138,626,830	71,024,128	30,509,156	101,533,285
1932	96,583,189	23,720,089	120,303,278	74,399,846	22,840,448	97,240,294
1934	110,614,520	31,003,074	141,617,595	87,268,667	24,908,015	112,176,683
1935	123,407,834	33,141,532	156,549,367	94,023,153	29,920,810	123,943,964
1936	138,144,214	37,627,622	175,771,836	98,881,869	35,057,119	133,938,988
1937	153,455,475	49,381,066	202,836,543	109,274,477	47,170,122	156,444,600
1938	176,713,771	57,103,621	233,817,392	120,767,685	62,639,037	183,406,722
Estimate 1939	175,045,516	33,556,484	208,602,000	130,326,950	78,275,050	208,602,000

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Table No. F-2

TWO YEAR ITEMIZED COMPARATIVE

CHART OF REVENUE (in yen)

Item	1939 Budget	1938 Budget	Increase or Decrease *
Ordinary Revenue Dept.			
Taxes	33,425,574	29,910,473	3,515,101
Revenue from stamps	5,926,205	5,463,997	462,208
Revenue from gov't enterprise & gov't property	133,802,986	128,850,467	4,952,519
Misc. Revenue	1,890,751	1,765,542	125,209
Total	175,045,516	165,990,479	9,055,037
Special Revenue Dept.			
Disposal of gov't property	645,876	643,044	2,832
Misc. Income	135,605	135,547	58
Collection of loans	1,555,500	1,503,400	52,100
Payments received from public organizations for public works	548,085	-	548,085
Share of public works for public organizations	1,214,715	1,119,364	95,351
Income from export compensation	100	40	60
Special profit tax	2,444,158	1,392,550	1,051,608
Export Control Tax	-	-	-
Tax on dividends	850,334	266,515	583,819
Tax on interest derived from public & corporation bonds	8,482	3,957	4,525
Traffic Tax	212,199	146,263	65,936
Admission Tax & Special admission tax	123,592	28,596	84,996
Commodity Tax	704,336	331,520	372,816
North China Incident Tax	-	688,885	*688,885
Public Bonds	6,400,000	-	6,400,000
B alance carried over from previous year	18,373,446	22,157,915	*3,784,469
Construction Tax	152,281	-	152,281
Amusement Tax	187,775	-	187,775
Total	33,556,484	28,427,996	5,128,888
Grand Total	208,602,000	194,418,075	14,183,925

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Table No. F-3

TWO-YEAR ITEMIZED COMPARATIVE CHART OF EXPENDITURE (in yen)

Item	1939 Budget	1938 Budget	Increase or Decrease *
Shrine Expenditure	49,000	49,000	-
Government-general	3,940,448	3,512,690	397,758
Local government	15,392,913	14,929,288	463,625
Customs Office	624,161	583,132	41,029
Court	1,494,603	1,462,954	31,649
Prison	1,326,151	1,302,755	23,396
Police officers & training center for wardens	293,208	225,648	*67,560
Hospital	948,255	964,963	*16,708
Experimental station & research station	1,727,534	1,550,998	176,536
Educational Expenditure	4,276,129	3,787,726	488,403
Taihoku Imperial University	3,371,833	2,944,441	427,392
Social Affair expenditure	583,165	424,778	158,387
Observatory	431,170	429,420	1,750
Traffic Bureau	39,158,025	37,128,891	2,029,134
Monopoly Bureau	35,591,089	35,456,969	134,120
Forestry Expenditure	5,151,421	3,914,874	1,236,547
Redemption fund of national debt carried over to special account	6,556,409	6,589,188	* 32,779
Share of pension fund	5,414,377	5,190,072	224,305
Misc. Expenditure	1,197,059	1,178,372	18,687
Emergency fund	2,800,000	2,300,000	500,000
Total	130,326,950	123,956,159	6,370,791
Project Expenditure	24,470,343	20,807,937	3,662,406
Buildings & Repair	9,657,152	9,713,678	56,526
Census & Experiments	1,869,031	1,817,270	51,761
Expenditure for Encouragement of industry	4,592,949	3,945,777	647,172
Subsidy Fund	11,745,991	11,405,774	340,217
Police special Facilities	552,146	516,287	35,859
Cure of opium smokers	27,912	28,482	* 570
Musha region and other Emergency policing	55,212	55,212	-
Study abroad fund & emergency increase in salary	4,313	43,217	38,904

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cont'd.

Item	1939 Budget	1938 Budget	Increase or Decrease *
Special Dept			
Emergency foreign exchange control	68,722	23,746	44,976
Emergency rice export control	-	169,879	*169,879
Emergency profit tax collection	27,935	27,938	-
Earthquake fund for Shinchiku-shu and Taichu-shu	36,917	38,917	-
Emergency military Exp. carried over to special account	17,658,295	14,537,809	3,120,486
Encouragement & control of production of gold	629,043	481,107	147,936
Collection Exp. on North China incident tax	-	16,353	* 16,353
Emergency air defense & guarding	3,119,526	3,013,971	105,555
National spirit mobilization	60,000	60,000	-
Emergency economic census	28,179	13,020	15,159
Conflagration Expenditure	280,000	393,249	* 113,249
Emergency military help fund	309,258	233,269	75,989
Emergency police fund	316,840	18,901	297,939
Emergency prison fund	109,650	109,650	-
Pardon Execution fund	-	10,782	* 10,782
Commodity supply & demand control	381,177	169,398	211,779
Commodity price control and encouragement saving	67,530	38,800	28,730
Policy for change in industry and labor supply control	98,597	-	98,597
Emergency export and import control	7,995	-	7,995
National registration	100,337	-	100,337
Taiwan Rice export control special account differed operat- ing capital carried over	2,000,000	-	2,000,000
Total	78,275,050	67,688,420	10,586,630
Grand total	208,602,000	191,644,579	16,957,421

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Table No. F-4. SCHEDULE OF CONTINUING EXPENDITURES

Expenditure Item	Successive Fiscal Years	Total Expenditure	Amount Paid out down to 1938	Amount to be Paid after 1939	Yearly Expenditure		
					1939	1940	1941
Railroad Construction	1937-1940	3,309,500	1,827,500	1,482,000	1,280,000	202,000	0
Railroad Double track constr. Improvements on Taihoku and Takao Railroad Station	1938-1944	15,153,500	700,000	14,453,500	1,500,000	2,000,000	2,600,000
	1927-1940	5,695,485	5,358,581	1,336,904	633,904	703,000	0
Harbor Expenditure	1906-1943	113,187,012	83,647,623	29,539,389	5,823,544	7,165,336	7,165,336
Mako Harbor Construction	1937-1939	850,000	550,000	300,000	300,000	0	0
Large scale shipping dock construction	1937-1939	3,677,500	2,300,000	1,377,500	935,000	442,500	0
Water Works	1927-1938	56,544,366	32,377,434	24,166,932	3,162,132	3,761,865	3,761,865
Improvement Expenditure for Highway running lengthwise	1926-1941	17,082,129	13,803,573	3,278,556	651,200	1,313,678	1,313,678
Road Improvement	1935-1941	2,337,380	1,267,263	1,070,117	548,417	321,700	200,000
Road Improvement Exp. between Shinten and Keikan	1936-1942	2,757,500	1,208,630	1,548,870	349,185	549,185	400,000
Construction Exp. for Taiwan Shrine	1937-1940	2,201,000	1,150,000	1,051,000	450,000	601,000	0
New construction for Taihoku Imperial University Medical Dept.	1935-1940	2,501,040	1,653,252	847,788	425,288	422,500	0
New construction for Taichu Hospital	1936-1940	1,309,593	861,693	447,900	297,400	150,500	0
New construction expenditure for Tuberculosis Sanitarium	1937-1939	452,258	352,058	100,200	100,200	0	0
Establishment of wireless telegraph and telephone	1936-1939	1,583,133	1,174,933	408,200	366,000	42,200	0

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Table No. F-4. SCHEDULE OF CONTINUING EXPENDITURES (cont'd)

Expenditure Item	Successive Fiscal Years	Total Expenditure	Amount Paid out down to 1938	Amount to be paid after 1939	Yearly Expenditure		
					1939	1940	1941
High power wireless transmission construction	1937-1939	2,500,500	1,300,000	1,200,500	1,200,000	0	0
New Construction Exp. for Kagi post office & telephone exchange	1937-1939	1,201,000	900,000	301,000	301,000	0	0
New tobacco factory construction for Monopoly Bureau	1936-1939	2,711,027	1,731,408	979,619	979,619	0	0
New liquor factory construction for Monopoly Bureau	1937-1939	1,591,790	1,025,437	566,353	566,353	0	0
New construction Exp. for Industrial Research Station	1938-1940	1,656,000	500,000	1,156,000	300,000	856,000	0
New construction Exp. for Shrine for war dead	1939-1940	200,000	0	200,000	100,000	100,000	0
Meteorological communication facilities establishment	1938-1940	1,079,828	214,968	864,860	459,330	405,530	0
New construction of factory for absolute alcohol for Monopoly	1939-1940	2,575,370	0	2,575,370	1,083,687	1,491,683	0
Tug-boat construction	1929-1940	480,800	0	480,800	250,000	230,800	0
Emergency national census Expenditure of 1939	1939-1940	269,484	0	269,484	119,637	119,847	0
Establishment & improvement on wireless transmission	1939-1940	850,000	0	850,000	250,000	600,000	0
Total		244,757,195	153,904,353	90,852,842	22,462,396	214,79,324	15,440,879

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B. PUBLIC DEBTS

Development of public loans of Taiwan and enterprises related to public loans and enterprises undertaken by public loan are listed as follows:

1. In March 1899 the following four enterprises were undertaken with public funds which were loaned according to the Taiwan Enterprise Public Loan Regulations and for the purpose of obtaining revenue: construction of railroad running lengthwise, land census, Keelung Harbor construction and the new construction of chō buildings.
2. In March 1904 the public loan regulation laws were revised and together with the completion of the land census, the settlement of great tax privileges were undertaken.
3. In 1908 revisions were again made in the public loan laws and three enterprises namely, water works, construction of Takao Harbor and the construction of Taitō Railroad, were undertaken.
4. In 1917 railroad construction enterprises between Hachito and Suo and between Heitō and Boryō were undertaken.
5. In 1920 construction on the west coast railroad line between Chūkō and Taitō began.
6. In 1920 the construction of the bridge on the Tain-kei road and the Keelung Harbor construction were transferred to be paid for by public loans.
7. In 1921 expenditures were made for for railroad construction between Tamazoto and Riryū and for the improvement of already constructed railroads and the enterprise public loan laws were revised.
8. In 1922 expenditures were needed for the enforcement of the liquor monopoly system, for the required payment for the purchase of a private railroad (Taitō) and for railroad construction and improvement. Consequently revisions were made in the public enterprise loan regulations.
9. Because further funds were necessary in 1923 for railroad construction and improvement and for water works, the public enterprise loan regulations were again revised.
10. In 1927, due to the need of funds for a double track railroad running north-south and other construction expenditures and the purchase of the railroad between Nisui and Gaishatei, the public enterprise loan regulations were revised.
11. Needing funds to purchase the railroad between Sanshorei and Deidōkō the public enterprise loan regulations were revised in 1929.

12. In 1934, due to the need of funds for the government management of the camphor industry, the public enterprise loan regulations were revised.

13. In 1939, due to the need of funds for the central harbor construction enterprise and the railroad improvement enterprise, revisions were made in the public enterprise loan regulations.

Public loans of 35,000,000 yen would have been issued for enterprises listed under 1 above, but since 1905 the subscription has been suspended and in its place the revenue was obtained from yearly revenue and temporary borrowing. Therefore, the actual public loan issued was only 34,508,535 yen. For those enterprises listed under 3, from the beginning the public loan was not issued and the source of revenue for the enterprise expenditure of 38,990,000 yen was obtained from the Bank of Taiwan on successive short term loans. However, starting from 1917 railroad construction expenditure was to be paid by public loan and the previously mentioned short term loans were suspended with 1918. In short, periods when subsidy funds were obtained from Japan Proper were exceptional, and from 1905 to 1916, when they entered into the independent accounting stage, short term loans were the means of paying the public loans. Furthermore, with enterprises such as the Keelung and Tako Harbor constructions, the first stage plan was to be paid for by the public loans, but the expanded plant of the second stage was to be met by the normal yearly revenue. However, since 1920, due to the plan for the enlargement of Keelung Harbor, it again went back to the public loan method of payment. In short, from now on there will be a tremendous increase in the various kinds of enterprises and therefore, it will become necessary to finance properly and to divide the expenditures between normal yearly revenues and public loans. After 1924 the enterprises were positively curtailed, and due to financial conditions, the subscription of public loans was suspended. In 1926, however, a public loan of 3,000,000 yen was issued, for revenue purposes, to the Kanan Taisen enterprises as increased subsidy funds. In 1927 public loans of 9,331,400 yen were issued for the construction of double track line for the north-south railroad and other construction expenditures and for the purchase of the railroad between Nisui and Gaishatei. A public loan of 1,704,525 yen was issued in 1929, for the purpose of purchasing the Taiyo Railroad. In 1934, due to the purchase of the (Taiwan Seino Kaisha Taiwan Camphor Manufacturing Co.), a public loan amounting to 3,453,775 yen was issued. In 1939 it is planned that public loans of 6,400,000 yen for central harbor construction and railroad improvement are to be issued. The amounts of the public loans issued and the loans and also the redemption amounts are listed as follows:

Table No. F-5. TAIWAN PUBLIC LOANS

Year (p. 676)	Public Loan		Loan according to Taiwan Public Enterprise Loan Regulations	
	Issued ¥	Redemption ¥	Borrowed ¥	Redeemed ¥
1927	9,733,695	-	3,200,000	106,946,733
1928	5,266,077	-	3,200,000	112,212,811
1929	4,649,852	-	3,200,000	116,862,663
1930	1,913,445	1,370,724	3,200,000	117,405,384
1931	687,288	1,456,772	3,200,000	116,635,902
1932	5,801,125	514,986	3,200,000	121,922,040
1933	8,248,730	439,877	3,200,000	126,530,894
1934	3,453,775	459,219	•	129,525,449
1935	145,250	1,468,412		128,202,287
1936	1,168,752	1,502,822		127,868,216
1937		1,487,258		126,380,958
(Est.) 1938		1,483,272		124,897,686
(Est.) 1939	6,400,000	1,466,020		129,831,666

(statistics for 1899-1926 are also available)

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C. LOCAL GOVERNMENT FINANCE

The local taxation system in Taiwan has been in effect in three prefectures, Taihoku, Taichu and Tainan and in Giran-chō since October 1, 1898. In 1901 it was extended to Boko-chō and to Taitō chō in 1902. At last it finally covered the entire island. Until 1901 its tax economy was based upon the management of the various prefectures and chō as units but since 1902 local expenditure districts have been established and the island has been divided into three expenditure districts. However, in October 1920 local system was revised and as a result of the establishment of new local organizations, the shu and cho local expenditures and the shi, gai and shō, the old local expenditure districts were abolished and shu and chō local expenditures and the shi, gai and shō became independent economic bodies and have come to manage their finances. In October 1937 the three chō Taitō, Karenkō, Bōkō which had been the old local expense jurisdictions under the chō system which had been established, became economical independent bodies and at the same time the chō local expenditures were abolished. The revenues and expenditures of the various local organizations are shown in Tables Nos. F-6 to F-12 on the following pages.

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Table No. F - 6. SUMMARY OF 1939 ESTIMATES
OF SHŪ AND CHŌ

1. Revenue estimate.

Classif. Shū & Chō	Taihoku- Shū	Shinchiku- Shū	Taichū- Shū	Tainan- Shū	Takao- Shū	Taitō- Chō	Karenkō- Chō	Bōko- Chō	Grand Total	Prev. yr. Estimate	Dec. or inc. as compared with prev. yr.
Local Tax	4,045,670	2,276,074	4,124,606	4,721,297	3,381,527	171,922	411,888	86,150	19,139,134	17,946,954	1,272,180
Subsidy from Natl. Treasury	902,135	669,228	933,832	930,625	1,012,199	622,555	732,784	337,011	6,140,369	5,174,180	966,189
Fund carried from prev. yr.	600,000	118,902	481,323	735,400	141,055	59,129	68,474	5,000	2,209,283	1,998,581	210,702
Other income	1,409,855	692,969	1,463,429	1,626,884	1,756,603	31,694	130,470	10,116	7,122,020	7,486,623	364,603
TOTAL	6,957,660	3,757,173	7,003,190	8,014,206	6,291,384	885,300	1,343,616	438,277	34,690,806	32,606,338	2,084,468

Table No. F - 6. SUMMARY OF 1939 ESTIMATES
OF SHŪ AND CHŌ (cont'd)

2. Detailed Explanation of Revenue

Classif. Shū & Chō	Taihoku- Shū	Shinchiku- Shū	Taichū- Shū	Tainan- Shū	Takao- Shū	Taitō- Chō	Karenkō- Chō	Bōko- Chō	Grand Total	Prev. yr. Estimate	Dec. or inc. as compared with prev. yr.
Income Surtax	507,360	101,393	274,548	292,204	232,918	12,540	15,934	1,728	1,438,625	1,066,873	371,752
Land Surtax	1,154,160	1,211,506	1,899,450	2,007,329	1,286,365	70,470	153,687	21,982	7,804,949	7,637,500	167,449
Business Surtax	701,120	145,143	463,600	452,962	420,244	19,760	58,712	6,266	2,267,807	2,000,424	267,500
Mining Surtax	23,935	5,593	11	646	273	14	526	2	31,000	26,748	4,252
House Surtax	390,807	235,500	384,783	348,400	219,231	13,500	32,550	10,500	1,635,271	-----	1,635,271
Speci Bus. Surtax	145,967	72,879	145,251	145,094	119,172	7,760	19,419	7,446	662,988	686,067	* 23,079
Misc. Tax	1,122,321	504,060	956,963	1,474,662	1,103,324	47,878	131,060	38,226	5,378,494	5,191,114	186,380
Hshld. Tax	-----	-----	-----	-----	-----	-----	-----	-----	-----	1,338,228	*1,338,228
TOTAL	4,045,670	2,276,074	4,124,606	4,721,297	3,381,527	171,922	411,888	86,150	19,219,134	17,946,954	1,272,180
Gai, sho allotment	134,700	105,000	185,000	150,496	88,000	-----	-----	-----	663,196	679,196	* 16,000
Estate Income	97,676	2,743	68,768	58,920	17,474	5,980	25,211	832	277,604	241,799	35,500
Donation	159,692	-----	99,680	134,762	56,744	4,950	15,250	---	471,078	1,026,942	* 55,864
Rent & Commission	705,874	221,054	401,098	555,427	293,647	8,894	45,906	6,296	2,238,196	2,019,640	218,556
Loan	150,000	220,000	420,000	200,000	150,000	---	-----	-----	1,140,000	1,815,000	* 675,000
Carried over fund	-----	-----	50,000	-----	-----	---	-----	-----	50,000	50,000	-----
Misc. Income	161,913	144,172	238,883	527,279	1,150,738	11,870	44,103	2,988	2,281,946	1,654,046	627,900
TOTAL	1,409,855	692,969	1,463,429	1,626,884	1,756,603	31,694	130,470	10,116	7,122,020	7,486,623	* 364,603

Table No. F - 6. SUMMARY OF 1939 ESTIMATES
OF SHŪ AND CHŌ (cont'd)

2. Detailed Explanation of Revenue (cont'd)

Classif.	Taihoku-Shū	Shinchiku-Shū	Tachū-Shū	Tainan-Shū	Takao-Shū	Taitō-Chō	Karenkō-Chō	Bōko-Chō	Grand Total	Prev.yr. estimate	Dec. or inc. as compared with prev.yr.
Gen. Expenditure Subsidy	-----	-----	-----	-----	-----	473,232	508,727	259,156	1,241,115	1,335,300	* 94,185
Educational Subsidy	492,340	217,024	428,021	284,905	233,728	5,200	11,400	3,500	1,676,118	1,461,386	214,732
Sanitation Subsidy	139,965	19,834	41,706	113,828	43,750	17,199	22,501	8,653	407,436	356,700	50,736
Indus. Encour. age. Subsidy	144,498	200,551	278,429	357,530	213,349	55,512	103,701	9,646	1,363,216	811,696	551,520
Social Affairs Subsidy	6,761	1,500	7,500	8,278	3,000	-----	-----	-----	27,039	22,533	4,506
Public Wks Subsidy	88,906	199,066	145,250	148,650	498,498	40,500	77,800	52,500	1,251,170	1,125,550	125,626
Air Defense Subsidy	29,665	17,176	17,387	17,434	19,874	10,912	8,655	3,556	124,659	31,275	93,384
Earthquake & Fire Subsidy	-----	14,077	15,539	-----	-----	-----	-----	-----	29,616	29,740	* 124
Navigation Sub.	-----	-----	-----	-----	-----	20,000	-----	-----	20,000	-----	20,000
TOTAL	902,135	669,228	933,823	930,625	1,012,199	622,555	732,784	337,011	6,140,369	5,174,180	966,189

Table No. F - 6. SUMMARY OF 1939 ESTIMATES
OF SHŪ AND CHŌ (cont'd)

3. Expenditure estimate

Classif.	Taihoku-Shū	Shinchiku-Shū	Tachū-Shū	Tainan-Shū	Takao-Shū	Taitō-Chō	Karenkō-Chō	Bōko-Chō	Grand Total	Prev yr. Estimate	Dec or inc as compared with prev.yr.
Gov. Exp.	425,028	310,073	401,596	623,930	292,452	115,619	134,499	37,886	2,341,083	3,015,074	*673,991
Pub. Wks. Exp.	1,048,204	457,130	1,202,280	1,745,212	1,561,419	141,381	226,248	71,125	6,432,999	6,385,242	47,757
Educ. Exp.	3,247,076	1,523,428	3,449,812	2,962,657	1,917,699	251,578	433,629	172,327	13,958,206	13,070,789	807,417
Sanitation Exp.	385,945	115,591	213,953	384,900	337,392	71,409	95,314	29,120	1,633,624	1,394,013	239,611
Encourage. or Industry Exp. pg 680	729,426	453,814	844,855	920,705	735,601	137,951	245,774	71,309	4,139,435	3,093,409	1,046,026
Social Affair Exp.	80,552	13,641	43,014	92,623	32,450	15,761	9,324	4,571	291,936	196,551	95,385
Bldg. & Repair Exp.	155,453	42,516	152,558	222,894	40,850	19,270	37,315	10,000	680,856	981,345	300,489
Conference Exp.	4,575	3,620	4,933	7,007	5,022	1,974	1,590	1,308	30,029	393,360	* 9,331
Pub. Loan Exp.	351,782	96,913	185,612	456,734	259,035	-----	-----	-----	1,350,076	1,262,828	87,248
Others	489,619	725,447	468,577	547,544	1,073,464	116,857	141,923	31,631	3,595,062	2,893,727	701,335
Reserve Exp.	40,000	35,000	36,000	50,000	36,000	13,500	18,000	9,000	237,500	274,000	*36,500
TOTAL	6,957,660	3,757,173	7,003,190	8,014,206	6,291,384	885,300	1,343,616	438,277	34,690,806	32,606,338	2,084,468

Table No. F-6. SUMMARY OF 1939 ESTIMATES
OF SHŪ AND CHŌ (cont'd)

2. Rate of Local Tax and Share of Amount per Household

Classif. Shū & Chō	Taihoku- Shū	Shinchiku- Shū	Taichū- Shū	Tainan- Shū	Takao- Shū	Taitō- Chō	Karenkō- Chō	Bōko- Chō	Grand Total	Prev.Yr. Estimate	Dec. or inc. as compared with prev. yr.
Income Surtax No. 1	18	18	18	18	18	18	18	18			
Income Surtax No. 3	20	10	10	10	10	10	10	10			
Land Surtax	100	100	90	90	100	90	90	90			
Business Surtax	80	80	80	70	80	80	80	80			
House Surtax	130	150	150	130	140	150	150	150			
Production Tax	20	20	---	20	---	---	20	---			
Mining Surtax	7	7	7	7	7	7	7	7			
Amount of Share	1,124	980	1,066	754	842	---	----	---			
	Taihoku- Shū	Shinchiku- Shū	Taichū- Shū	Tainan- Shū	Takao- Shū	Taitō- Chō	Karenko- Chō	Boko- Chō	Grand Total	Prev.Yr. Estimate	Dec. or inc. as compared with prev. yr.
Income Fund	47,930	41,757	53,224	57,725	27,013	148,858	20,240	30,827	293,538	273,059	20,499
2. Expenditure Estimate											
Paid out of afflicted relief fund	47,930	41,757	53,224	57,725	27,013	14,858	20,204	30,827	293,538	273,059	20,499

Table No. F - 7. SUMMARY OF 1939 ESTIMATE SHŪ SPECIAL ACCOUNT
PROPERTY MANAGING EXPENDITURE AND REVENUE

1. Revenue Estimate

Classif. Shū & Chō	Taihoku- Shū	Shinchiku- Shū	Taichū- Shū	Tainan- Shū	Takao- Shū	Taitō- Chō	Karenkō- Chō	Bōko- Chō	Grand Total	Prev.yr. Estimate	Dec. or inc. as compared with prev.yr.
Income from Property		26,317	23,258						49,575	51,291	*1,716
Misc. Income		24,597	126,543						151,140	134,029	17,111
Carried over Fund		2,004	12,725						14,729	16,590	*1,861
Transfer fund		69,149							69,149		69,149
TOTAL		122,067	162,526						284,593	201,910	82,683
2. Expenditure Estimate											
Property Mgmt. Expenditure		36,998	107,926						144,924	144,148	776
Misc. Payment		2,630	4,500						100	100	
Reserve Exp.		3,267							7,130	7,630	*500
Sinking fund			50,000						3,267	30	3,235
Drawing fund									50,000	50,000	
Payment for land		79,172							79,172		79,172
TOTAL		122,067	162,526						284,593	201,910	82,683

Table No. F - 8. SUMMARY OF 1939 ESTIMATE SHŪ REGULAR ACCOUNT
EARTHQUAKE AND RELIEF FUND FOR POOR CHILDREN, EXPENDITURE AND REVENUE

1. Revenue Estimate											
Classif.	Taihoku- Shū	Shinchiku- Shū	Taichū- Shū	Tainan- Shū	Takao- Shū	Taitō- Chō	Karenkō- Chō	Bōko- Chō	Grand Total	Prev. yr. Estimate	Dec. or Inc. as Compared with prev. yr.
Shū & Chō											
Revenue for Earthquake & Relief Fund for Children			263						263	206	57
2. Expenditure Estimate											
Disbursements from Earthquake & Relief Fund for Children			263						263	206	57

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Table No. F-9. SUMMARY OF 1939 ESTIMATE SPECIAL ACCOUNT.
PUBLIC FACILITY LAND, EXPENDITURE AND REVENUE

1. Revenue Estimate											
Classif.	Taihoku- Shū	Shinchiku- Shū	Taichū- Shū	Tainan- Shū	Takao Shū	Taitō- Chō	Karenkō- Chō	Bōko- Chō	Grand Total	Prev. yr. Estimate	Dec. or Inc. as Compared with prev. yr.
Shū & Chō											
Natl. Treas. Sub. Carried over fund					1,000,000				1,000,000	1,000,000	
Sales of Property					422,168				422,168	306,128	116,040
					20,000				20,000	2,050,000	*2,030,000
TOTAL					1,442,168				1,442,168	3,356,128	1,913,960
2. Expenditure Estimate											
Facil. Exp. for Public Land Outgoing Fund					1,140,000				1,140,000	3,050,000	*1,910,000
Shu Loan Fund					302,168				302,168	306,128	3,960
TOTAL					1,442,168				1,442,168	3,356,128	*1,913,960

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Table No. F - 10. SUMMARY OF 1939 ESTIMATE SPECIAL ACCOUNT
CITY PLANNING EXPENDITURE, REVENUE AND EXPENDITURE

1. Revenue Estimate (P. 684)											
Classif.	Taihoku- Shū	Shinchiku- Shū	Taichū- Shū	Tainan- Shū	Taitō- Chō	Takao- Shū	Karenkō- Chō	Bōko- Chō	Grand Total	Prev.yr. Estimate	Inc or Dec as Compared with prev yr.
Shū & Chō											
Income from Property							18,000		18,000	22,000	4,000
Sales of Property							134,030		134,030	72,230	61,800
Carried over Fund							27,032		27,032	12,300	14,732
Misc. Income							1		1	1	
Cho Loan Fund											
TOTAL							179,063		179,063	106,531	72,532
2. Expenditure Estimate											
City planning Expenditure							179,063		179,063	106,531	72,532

Table No. F - 11. 1939 ESTIMATE FOR SHI, GAI, SHO

Revenue											
Classif.	Taihoku- Shū	Shinchiku- Shū	Taichū- Shū	Tainan- Shū	Takao- Shū	Taitō- Chō	Karenkō- Chō	Bōko- Chō	Grand Total	Prev. yr. Estimate	Dec. or Inc. as Compared with prev. yr.
Shū & Chō											
Income from Property	51,457	79,734	187,732	167,193	114,694	6,089	20,213	2,068	629,180	555,883	73,297
Hire & Commis. l.	981,667	799,700	1,668,801	1,315,097	925,791	59,359	153,706	69,718	6,973,839	6,367,993	605,846
Grant	219,100	108,660	209,909	193,470	162,097	8,174	17,505	3,906	922,821	973,749	50,928
Sub. from Nat. Treas.	233,693	35,090	84,982	85,665	29,310	6,434	136,919	106,176	908,269	984,540	76,276
Shu Subsidy Fund	473,535	253,328	424,764	496,413	506,288				2,154,328	2,147,549	6,779
Cho Subsidy Fund						103,778	83,816	26,039	213,633	159,656	53,977
Donation	54,425	76,898	158,146	326,825	61,789	5,436	56,493	17,847	757,859	1,062,294	304,435
Transfer Fund	730,000	2,476	199,111	29,908	155,129	1,000	501	260	818,385	668,970	149,415
Sales of Property	600	32,734	55,128	22,170	42,607			101	153,340	239,083	85,743
Carried over Fund	437,397	86,500	489,541	529,207	313,022	44,198	37,204	10,000	1,947,069	1,814,504	132,565
Misc. Income	1,230,168	220,434	436,223	802,270	538,141	29,593	44,867	16,005	3,317,701	2,595,814	721,887
Shi, Gai, Sho Tax	3,920,789	1,629,405	3,939,670	3,944,057	2,811,033	165,225	319,199	125,584	16,854,962	16,001,177	853,785
Shi, Gai, Sho Loan	380,000		147,000	312,600	321,000		122,000	27,500	1,310,100	3,978,800	2,669,700
TOTAL	9,412,831	3,324,959	8,001,007	8,224,875	6,170,901	429,286	992,423	405,204	26,961,486	37,550,017	588,531

Expenditure -- Ordinary Section

Table No. F - 11. 1939 ESTIMATE FOR SHI, GAI, SHO (cont'd)

Classif. Shū & Chō	Taihoku- Shū	Shinohiku- Shū	Taichū- Shū	Tainan- Shū	Takao Shū	Taitō- Chō	Karenkō- Chō	Bōko- Chō	Grand Total	Prev yr. Estimate	Dec or Inc as Compared with prev.yr.
Shrine Exp.	20,742	11,104	22,272	18,663	20,451	2,389	575	6,745	102,941	146,477	*43,536
Conference Exp.	16,774	9,490	22,213	22,670	14,889	1,695	1,745	885	90,361	96,139	* 5,778
Gen.Office Exp.	982,308	590,692	1,158,336	1,309,771	828,038	113,469	135,966	45,552	5,164,132	4,784,928	379,204
Pub. Wk. Exp.	238,301	69,050	107,642	137,991	100,422	5,853	13,339	4,893	677,491	721,748	44,257
Educ. Exp.	1,472,629	725,993	1,338,997	1,410,437	861,861	86,775	120,926	41,010	6,058,628	5,409,179	649,449
Pub.Hall Exp.	46,067	4,645	5,506	14,149	5,125	300	2,000	803	78,595	54,250	24,345
Sanitation Exp.	478,401	132,980	402,748	466,333	281,211	36,740	78,443	42,030	1,918,886	2,109,125	*190,239
Soiled Objects Disposal Exp.	368,732	65,877	105,254	116,911	133,658	8,840	19,915	12,054	831,241	562,466	268,775
Park Exp.	5,252	8,478	16,633	17,353	6,323		3,496	660	58,195	59,563	* 1,368
Encourage of Industry	541,900	186,812	473,268	382,749	280,806	16,889	59,404	10,210	1,952,038	1,744,789	207,249
Social Affair Exp.	123,468	20,519	135,769	40,546	66,782	3,825	4,263	2,752	397,924	547,108	*149,184
Local Improv. Exp.	22,103	15,114	65,914	52,493	24,909	5,676	8,953	1,739	196,901	192,414	4,487
Handling Pub. Fund Exp.	95,895	27,754	71,743	59,611	29,726	2,161	15,102	2,665	304,657	194,856	109,801
Managing Foun- dation Fund	59,147	81,577	140,211	157,464	111,550	3,790	1,783	4,050	559,572	46,352	513,220
Election Exp.	32,343	13,246	23,465	22,825	23,436	678	2,151	968	119,112	44,782	74,330
Property Exp.	26,042	24,179	32,761	29,934	13,863	1,714	7,644	1,366	137,503	580,543	*443,040
Various Tax & Share	148,524	133,902	285,865	403,223	207,883	6,901	7,714	197	1,194,209	1,098,269	95,940
Preserv. of Hist. sites	950	216	388	876	171			67	2,668	1,203	1,465
Guarding Exp.	283,881	53,978	144,180	94,094	97,519	19,959	26,331	6,441	726,383	559,787	166,596
Gather.of Sand & Pebbles	327,116								327,116	227,835	99,281
Sinking Fund		2,691				1,140	333		4,164	7,231	* 3,067
Misc. Exp.	69,953	23,289	42,869	89,941	56,814	8,601	2,578	1,655	295,700	334,352	*38,652
Others	12,197	48,635	39,186	36,966	24,648	1,495	3,131	84	166,342	186,478	*20,136
Reserve Fund	75,593	28,860	125,744	97,724	69,000	6,585	10,805	8,575	422,886	453,319	*30,433
Gas Enterprise Exp.		44,303							44,303	14,410	29,893
TOTAL	5,448,318	2,323,384	4,760,964	4,982,724	3,259,085	335,484	526,597	195,392	21,831,948	20,177,603	1,654,345

Table No. F - 11. 1939 ESTIMATE FOR SHI, GAI, SHO (cont'd)

Expenditure -- Special Section

Classif. Shū & Chō	Taihoku- Shū	Shinohiku- Shū	Taichū- Shū	Tainan- Shū	Takao- Shū	Taitō- Chō	Karenkō- Chō	Bōko- Chō	Grand Total	Prev.yr. Estimate	Dec or Inc as Compared With prev.yr.
Pub.Wks.Exp., Bldg. & Repair	577,474	275,450	1,214,261	1,375,659	720,330	46,085	114,042	37,653	4,360,954	6,798,059	*2,437,105
Sanitation Exp.	234,387	64,268	90,687	247,410	116,816	25,019	20,982	9,271	808,840	1,382,402	* 573,562
Encourage of Indus.	141,637	44,456	78,911	58,170	78,196		5,120	250	406,740	333,624	73,116
Social Affairs Exp.		5,000	9,830	2,524	4,767		2,000	5,400	29,521	1,800	27,721
City Plan. Exp.	705,442	48,876	236,188	292,841	354,587	12,600			1,650,534	2,226,635	* 576,101
Shi, Gai, Sho Loan Subsidy & Donation	1,054,153	235,417	491,539	451,406	784,505	4,664	31,278	9,808	3,062,770	3,006,227	56,543
Drawing Fund	212,582	80,613	690,885	352,289	277,073	4,583	9,942	5,270	1,633,237	1,696,042	62,805
Guarding Exp.	28,323	40,297	171,793	62,839	32,495	751			336,498	315,872	20,626
Sinking Fund	56,679	72,944	83,567	92,222	59,555		11,820	7,150	383,937	197,323	186,614
Managing Foundation Fund (P688)	12,854	9,775	44,719	27,811	77,507		10,653	3,700	187,019	155,643	31,376
Property Purchase Fund	1,034	1,432	10,362	400	4,750				17,978	7,715	10,263
	27,460	24,171	43,539	131,990	32,023			1,210	260,393	474,519	* 214,126
Investigation of Shi, Gai, Sho Administration	9,510	1,700	8,066	2,000	5,978			100	27,354	23,324	4,030
Gathering of Sand and Pebbles	27,200								27,200	173,000	*145,800
Share of Shi, Gai, Sho		9,229		24,644					33,873	27,239	6,634
Misc. Exp.	83,691	3,272	1,607	3,000	8,800				100,370	99,322	1,048
Others	12,283	7,506	31,654	3,222	36,958	100	5,051	1,500	116,274	138,712	*22,438
Educational Exp.	44,264	45,737	32,435	17,902	48,209		1,034		189,581	106,956	82,625
Gas Enterprise Exp.											
Adjustment Exp. for land Boundary		31,282		77,822	229,267				338,371		338,371
Continuing Exp. Outgoing Amt.	735,540	150			40,000		253,904	128,500	1,158,094		1,158,094
TOTAL	3,964,513	1,001,575	3,240,043	3,242,151	2,911,816	93,802	465,826	209,812	15,129,538	17,372,414	*2,242,876

Table No. F - 12. OLD TAIWAN LOCAL TAX ACCOUNT INCOME AND DISBURSEMENT (cont'd)

Prior to enforcement of new local system (until 1920), income and disbursement of Taiwan local account were as follows:

(P. 689)	INCOME			DISBURSEMENT		
	Normal	Special	Total	Normal	Special	Total
1898	747,850 -	410 -	748,260 -	589,007 -	37,539 -	626,546 -
1902	2,139,395	1,961,333	4,100,728	3,408,879	377,111	3,785,990
1907	3,624,324	2,935,020	6,559,344	4,740,125	848,702	5,588,827
1912	4,679,323	3,231,971	7,911,294	4,110,000	2,238,099	6,348,099
1916	5,826,513	4,228,049	10,054,562	7,204,217	1,385,352	8,589,569
1917	6,750,180	5,321,047	12,071,227	7,864,612	1,678,697	9,543,309
1918	7,843,880	8,179,140	16,023,020	8,498,878	3,728,916	12,227,794
1919	10,536,251	11,427,088	21,963,339	10,026,089	5,838,721	15,864,810
1920	7,409,912	15,367,819	22,777,031	5,464,668	3,072,733	8,537,401

RESTRICTED

RESTRICTED

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RESTRICTED

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In 1900 to 1901, subsidy fund from special account against local tax amounted only 1,300,000 yen but from 1905 until 1909, it reached from 2,000,000 to 3,000,000 yen. This was due to guarding of aborigines territories. However, from 1910 to 1914 due to the fact that the fostering of aborigines account was added up to special account, subsidy for aborigines territory police was suspended, but since 1914 on due to the fact that entire aborigines territories came under the jurisdiction of normal police, again it was decided to subsidize to the extent of 3,000,000 yen. Since 1918, due to increase in temporary allowance and salaries of officers and also increase in travelling expense in the country and educational expense, its subsidy amount also increased. Furthermore, in 1923, due to reduction of business tax, subsidy fund was increased by 500,000 yen. In 1924, it was decided to abolish the business tax reduction subsidy, but due to dissolution of the Diet, it was decided to follow the previous year's estimate, and until the formation of working budget, for the duration of four months, one-third of the previous year's subsidy, namely 166,666 yen, was granted.

RESTRICTED

Table No. F-13
LOCAL EXPENDITURE SUBSIDY

(From 1921 on, subsidies for various shū and local expenditure are included.)

YEAR	AMOUNT
1927	1,787,829
1928	1,618,961
1929	1,799,097
1930	1,568,696
1931	1,312,680
1932	1,384,310
1933	1,649,178
1934	1,597,484
1935	1,869,963
1936	2,078,226
1937	2,369,891
1938	2,590,662
1939	2,454,844

SECTION II. LAND TAX

A. NATIONAL TAX

National taxes enforced in Taiwan consist of: land tax, income tax, mining district tax, registration tax, Taiwan Bank note circulation tax, customs, tonnage tax, sugar consumption tax, playing card tax, textile goods consumption tax, alcohol tax, liquor clearance tax, revenue stamp tax, Benzine tax, emergency profit tax.

1. Land Tax

The land tax system at the time of change of sovereignty was different in each locality. The relevant books were either burnt, hidden or scattered. It was impossible to collect them again and they could never be used as a basis for tax assessment. Consequently the government-general at the outset of its administration began one of the four great enterprises (railroad running lengthwise, land census, Keelung Harbor construction, new construction of government buildings), namely, the land census enterprise. With its completion, the land tax regulations were established. Rate of revision according to this new system began with the last half of fiscal year of 1904 in the western part of Taiwan and in 1914 it was applied to Taitō and Karenkō. In 1916 it was applied to Boko-chō, and eventually it was applied all over the island. However, at first, due to old customs, it was applied to only paddy field and field and fish-culture ponds, but in 1915 it was extended to building sites. It was not based upon the value of the land as in Japan proper, but on the basis of earnings from the land, or fertility of land, or convenience of the land from transportation or use of water. These bases were divided into grades and became the foundation of the tax assessment system. This system, with the exception of the provisions relating to building sites, was in effect over ten years without revision. Changes in agricultural conditions in the various localities made revision necessary and to this end investigations and studies were started in 1915 and completed in 1918. Rates and units of land tax were revised and the revised tax was put into effect in 1919. Some ten years later, due to the development of shī and gai, and development of traffic, establishment of irrigation facilities, improvement of agriculture and increases in commodity prices, earning conditions of land were again greatly changed. Consequently further investigation was started in 1930 and completed in 1934. Rates and units of the land tax were revised and at the same time mountain forest and miscellaneous land were brought under taxation. These changes became effective in 1935. After Taiwan became a Japanese possession, the tax system of Taiwan was revised as the need arose. But there were not enough links among existing taxes to form a coordinated system; important sources of revenue were missed and the burden was not properly distributed. Eventually it became unsuitable to present economical and social conditions. Consequently it had to be revised to remedy these defects, and to further the government's social aims, such as the encouragement of industries. A completely reformed tax system went into effect in 1937.

Before the revision Taiwan had the following national taxes:

income
land
mining property
revenue stamp
registration
Taiwan Bank note circulation
sugar consumption
textiles
alcohol
playing cards
customs
tonnage
liquor clearance
emergency profit

Under the revised system, eight new taxes were added, as follows:

business
capital interest tax (house tax)
mining production
foundation capital
foreign bond special
inheritance
gasoline
benzine

At the time of the North China Incident, in order to bear part of the cost of operations, a North China Incident Special Tax was established in Japan proper. Consequently, The Taiwan North China Incident Special Tax was created in Taiwan and, following the example of Japan proper, there was enacted a regulation concerning the reduction or cancellation of tax collections from soldiers going to the front and from civilians connected with the armed services.

As of 1 January 1939, land tax brought in the following amounts:

Paddy fields	5,789,324 yen
Other fields	1,413,940
Fish Culture Ponds	33,550
Building Cities	951,498
Mountain Forests	100,993
Miscellaneous Lands	40,997
Total	<u>8,342,332</u>

2. Income Tax

The income tax was originated in 1910 and assessed only upon judicial persons to Class 1. income. It yielded approximately 400,000 yen that year. The amount has since increased yearly except in 1913, when it declined greatly due to damages suffered by sugar manufacturing companies on account of the previous year's storm. Especially due to the influence of World War I, the sugar industry flourished, and tax collections naturally increased tremendously. In 1920, the amount reached 7,500,000 yen. However in the latter half of the same year a decline set in the financial world which gradually became more grave; consequently the amount dropped to 1,701,000 yen in 1921. In 1922 it dropped even further, to 1,079,000 yen. In order to remedy conditions in Taiwan, it was decided to tax second and third class incomes. These, like first class incomes, could not escape the ill effects of the financial slump. Subsequently, as a result of the government's reflation program and the upward trend of prices of agricultural products, business conditions took a turn for the better. In 1936 tax collections were as follows: lot class, 1,709,294 yen; second class, 177,962 yen and third class 3,136,847 yen, making total of 5,024,103 yen.

Since then as a result of tax adjustments and the imposition of emergency tax increase in line with those of Japan proper, there has been further improvement. The tax collected in 1938 amounted to 13,041,796 yen.

3. Business Tax

Heretofore in this island, the business tax was collected as a local tax, but since the tax readjustment of 1937, it has been a national tax. The standard of assessment is the same as that for the former so-called external standards. In other words, standards were adopted for sales, income, contract and compensation, and enterprises showing a profit of more than 600 Yen are assessed. The tax collected in 1938 amounted to 3,291,046 yen.

4. Capital Interest Tax

Under the tax system readjustment plan, a capital interest tax was established in 1937. The scope of the tax and its method are approximately the same as those of the national tax laws in Japan proper. The tax collected in 1938 amounted to 216,180 yen.

5. Corporation Capital Tax

In 1937 this tax was set up in Japan proper. Taiwan followed Japan's example and established a similar capital tax. The tax is levied against the amount of capital. In 1938 it amounted to 134,252 yen.

6. Inheritance Tax

This tax was established after the tax system reform of 1937. Inheritance tax regulations are based in general upon the inheritance tax laws of Japan proper and the rates of taxation are the same. However, special provisions are made in view of conditions peculiar to Taiwan, such as kinship, inheritance customs, and other circumstances. The tax collected in 1938 amounted to 278,999 Yen.

7. Mining Tax

In the Ch'ing period the mining tax was limited to license fees required of alluvial miners. But beginning with 1896 the following tax was assessed annually for every 1000 tsubo (the same for anything up to 1000 tsubo) of mining property: (1) yen for coal, petroleum, sulphur, alluvial tin, iron sand; (2) two yen for gold ore, alluvial gold and other minerals. Later, the tax rate based on different ores was abolished by revisions of 1906 and 1927 and an annual assessment of one yen for every 1000 tsubo of any mining property was established. At the time of the 1937 tax reform, in addition to the mining property tax, a mine production tax was set up, and thus the present mining industry tax system was established. The rate for the mining property tax is 60 sen per year for every 1000 tsubo (50 sen for the first 3 years after receipt of a mining industry permit). In 1937, the mining property tax amounted to 121,414 yen and the mine production tax to 169,179 yen.

8. Special Tax on Foreign Loans

In April of 1937, following the establishment of a special tax on foreign loans in Japan proper, the same tax was established in Taiwan. The tax collected in 1938 amounted to 2,947 yen.

9. Registration Tax

By Imperial Ordinance of 1899, one part of the registration tax law was put into force. Its provisions are very complicated.

10. Taiwan Ginkō Notes Issue Tax

According to the 1897 Taiwan Bank laws, for circulation of bank notes in excess of the security reserve amount of 20,000,000 yen, an assessment of not less than 5% was to be levied starting 1 April 1935. The rate of taxation was to be more than 3%, the exact rate to be designated by the Minister of Finance. In August 1937 the security reserve amount, which had been formerly set at 20,000,000, was increased to 50,000,000 yen, and in May 1939 was further increased to 80,000,000 yen.

11. Tariffs

At the time of change in sovereignty, for the sake of convenience, the Ch'ing government tariff system was retained, but beginning with February 1896, trade agreements concluded between other nations and Japan were enforced in Taiwan and import duties were the same as in Japan proper.

Beginning in 1909 income from import tariffs was incorporated into a general account under the name of Taiwan and Japan Proper Unified Customs Account, and approximately one half of it was transferred from the General Account to a Government-General Special Account. However, after 1914 the entire amount was placed in the Special Account. Due to recent incidents, the strengthening of control over bills of exchange the curtailment of public consumption and the increased use of substitute articles in place of imported commodities, imports as a whole have been curtailed and import from China have been suspended. As a result of new undertakings, articles which were considered special requirements in previous years have become unnecessary, and furthermore, duties on iron were abolished. In 1937, numerous bad materials piled up, and despite abolishment of the tax exemption on heavy oil, receipts increased only slightly, totalling 2,615,000 yen. In 1938, due to abolishment of the tax exemption on heavy oil in the latter half of the previous year, and due also to importation of soya beans and machineries, there was a slight increase. On the other hand, as the China Incident became grave the transaction of business became more difficult. This fact, together with the import curtailment policy, resulted in general reduction of imports from other countries as well as reduction in imports of medical supplies and other miscellaneous commodities from China. Tariff collections amounted to only 1,789,000 yen, the lowest figure since 1917.

12. Tonnage Tax

In the beginning, as in the case of the import tax, the tonnage tax was conducted according to the old customs, but upon the enforcement of trade agreements, the old system was abolished and in July 1899 a new system was enforced for ships and boats engaged in foreign trade. The rates were as follows: (1) five sen for every ton of registered tonnage of European style ships, (2) five yen for more than one thousand koku. In February 1916, this scale was revised and the tonnage tax was not collected for ships which came into Keelung or Takao Harbors in order to take on coal, food or water for their own use or to unload entrepot trade goods. Harbor construction in both ports will soon be completed; this work was obviously undertaken to attract ships engaged in foreign trade. In 1937 the total tonnage of ships which came into harbors totalled 3,577,000 tons. As compared with the previous year's tonnage, there was not much difference. There was however, an increase in the number of tonnage-tax-exempt ships coming into harbor. After the China Incident, there was a decrease in the number of ships engaged in trade with the China Coast. Consequently, tariff collections dropped to 56,000 yen. In 1938, however, due to the prolonged continuation of the China Incident, there was a shortage of bottoms, and since the tonnage-tax-exempt ships which had been numerous the previous year, now in turn decreased, the total tonnage of ships entering port dropped to 3,163,000 tons. Revenue from the tonnage tax, however, was not too badly affected much further, and amounted to 55,000 yen.

13. Sugar Excise Tax

In March 1896, taking the tax rate of the Ching Government era into consideration, the sugar industry tax regulations (Japanese statutes) were issued and the assessment of a sugar cane wagon tax (three yen per year for one sugar cane wagon) and a sugar tax (thirty-five sen for every one hundred kin of blue sugar) was provided. However, on 1 October 1901, this system was abolished and by an Imperial decree a sugar consumption tax regulation was instituted with the same rates as in Japan Proper. In April 1910, a further revision was made. Types of sugar were classified minutely, and types of molasses was made at time of manufacturing crystalized sugar. Subsequently in March 1927 the rates and classifications were revised and, later, in April 1931, the tax rate was lowered. Under Article 17 of the April 1937 Emergency Tax Increase Regulations, the tax rate was increased. In July 1938 it was again increased by Article Nine of the China Incident Special Tax Regulations. The amounts inspected and the income from taxation before and after the enforcement of the consumption tax regulation are listed below.

Table No. F-15. SUGAR: AMOUNT INSPECTED AND TAX COLLECTED

Harvest or Fiscal Year	Re-processed Sugar	Sugar from which Molasses has been Extracted	Sugar from which Molasses has not been extracted	Total	Molasses	Amount of Tax (in year)
-----	---Kin	-----Kin	-----Kin	-----Kin	-----Kin	-----Kin
1902				72,070,450		777,943
1910	5,137,382	320,285,462	127,212,254	452,635,098	46,167,223	12,117,724
1926	49,373,280	671,450,230	14,215,012	735,028,522	209,093,626	2,410,141
1928	19,339,179	952,768,579	13,986,216	986,093,974	235,890,864	2,809,429
1931	2,950,164	1,311,805,612	16,985,283	1,331,741,059	234,105,087	2,931,677
1932	4,980	1,628,731,115	19,684,060	1,648,420,155	240,799,977	2,974,726
1934	-----	1,057,617,302	21,086,845	1,078,704,147	157,255,371	3,017,544
1935	-----	1,571,274,061	38,232,002	1,609,506,063	275,968,440	3,319,578
1936	-----	1,467,576,113	35,226,721	1,502,802,834	282,577,480	3,461,297
1937	-----	1,645,766,552	33,168,294	1,678,934,846	319,095,658	4,049,733
1938	414,420	1,610,657,146	39,348,412	1,650,419,978	343,638,572	6,701,345

- Remarks:
- The amount inspected is based upon figures for the harvest year whereas the amount of tax is based upon fiscal year figures.
 - The Fiscal year is 1 April to 31 March of the following year. The Harvest year is 1 November to 31 October of the following year.

14. Tax on Playing Cards

A playing card tax has been enforced since 1 July 1902. The tax rate was set at twenty sen per set and a revenue stamp had to be put on the back of the wrapping. Furthermore, an assessment of sixty yen per year was levied as a manufacturer's license fee. On April 1926 the license fees was abolished, and the tax rate was revised to three yen per set for Majong and fifty sen per set on other cards. The "four color" playing cards peculiar to Taiwan were assessed fifty sen the same as other playing cards, but as this seemed to be too high a rate, since 25 September 1937 a revised tax rate of ten sen per set for "four colored" playing cards has been in effect. At present, there are eight factories. The amount of production is small and imports from the opposite shore (China) are also small. Consequently, revenue from this source is negligible. In 1938, 39,817 yen was collected.

15. Excise Tax on Fabrics

The textile consumption tax was initiated with the enforcement of the woolen goods consumption tax according to the emergency special tax regulation of March 1904, which was later extended to cover other woven goods. From 1 April 1910 until the present day the imperial textile consumption tax regulations decree has been in force in this island. Until March 1926 the normal tax rate was 10% of valuation. Since 1 April, however, cotton textiles and textile regarded as cotton have been exempt from taxation. Furthermore, in April 1931 it was decided to enlarge the list of non-taxed goods and to lower the tax rate, beginning with December of the same year. The majority of such items were imported textile goods. Prior to 1922 the yearly tax collected less than 200,000 yen but in 1923, with the abolition of import taxes, the total reached approximately 300,000 yen and in 1925 it declined to 200,000 yen and in 1926, due to revision of tax regulations it was reduced to a mere 92,000 yen. Since then it has been gradually decreasing. In 1938 it totaled 2884 yen.

16. Stamp Tax

A revenue stamp tax has been enforced ever since the June 1908 Taiwan Revenue Stamp Tax Regulation. On 1 January 1923 it was revised by Imperial decrees. It is difficult to obtain information from which to calculate the amount of tax collected, but it is estimated to have been about 350,000 yen. In March 1927, due to revision in tax laws, the tax yield decreased. In addition to this revenue stamp-tax, there is also a stamp tax for certification of legal documents.

17. Alcohol Tax

An alcohol ordinance was put into effect at the time of the establishment of the 1922 liquor monopoly, when liquor consumed in the island came under the jurisdiction of the government monopoly. The manufacture of liquor containing more than fifty percent alcohol and of beverages containing alcohol was permitted to private enterprises the same as before. Therefore, manufacturing was carried on by the various sugar manufacturing companies using molasses as raw material. Due to an increase in the tax rate in April 1926 and to various other factors the 1926 tax collections increased greatly, but collections thereafter gradually returned to normal. Beginning with April 1937, however, when the alcohol monopoly laws went into effect for the purpose of enforcing the national fuel policy in Japan Proper, it became unnecessary to retain the (existing) alcohol tax. Consequently, in September 1938, the Taiwan Alcohol laws were revised and the regulations concerning the alcohol tax were eliminated as of 1 March 1939. The assessed amount and the tax collected are listed as follows:

Year	Assessed Amount	Tax Collected
1923	108,266	3,637,985
1926	146,094	5,196,381
1930	131,172	4,354,940
1934	149,264	3,368,057
1935	187,849	3,697,617
1936	179,218	3,844,658
1937	206,177	2,912,767
1938	280,633	169,212

Comment: Koku figures of assessed amount are for the period from March 1 to the end of February or the next year. Tax amount in for the period from April 1 to the end of March of the next year.

18. Alcohol Clearance Tax

In December 1934 the Taiwan Alcohol Clearance Tax Law was enacted. Liquor manufactured in Taiwan under the Taiwan Liquor Monopoly laws (with exception of liquor which came under liquor manufacturing tax laws and beer which came under beer tax laws) and when shipped to Japan Proper were assessed a clearance tax equal to the manufacturing tax on alcohol and beverages containing alcohol. In April 1937, due to enforcement of emergency increased tax assessment laws in Japan Proper, the rate of the manufacturing tax on alcohol and beverages containing alcohol was increased. Consequently, an increased clearance tax proportionate to the increase provided for in article 16 of the emergency increased tax assessment laws had to be enforced in Taiwan for the time being, and this was put into effect beginning in April 1, 1937. In April 1938, in compliance with article eight of the Taiwan China Incident Special Tax Laws, the former tax on liquors was increased by an additional seven yen per koku. Revenue derived in 1938 reached 34,782 yen.

19. Tax on Gasoline, Benzine, etc.

This tax was created in Japan Proper in accordance with the National fuel policy. In view of the circumstances, Taiwan followed Japan's example and beginning with April 1, 1937 the same tax amounted to 13.20 Yen per kilolitre. Revenue collected from the tax reached 100,883 Yen in 1938.

20. Commodity Tax

In April 1938, in order to cover part of the emergency military expenditures, commodity tax regulations were established by the Taiwan China Incident Special Tax Laws. Taxes were to be assessed on first class commodity sales by retail merchants, and on second and third class commodities, commodity transactions or quantities of commodities shipped out from factories. The tax collected in 1938 amounted to 287,339 Yen.

21. Emergency Profit Tax

The Emergency Profit Tax has been enforced since 1935. Taxes have been levied against those corporations or private parties whose profits have increased greatly due to the influence of the times. The amount of tax collected reached 2761,000 Yen in 1937.

22. North China Incident Special Tax

The North China Incident Special tax was created in Japan Proper as a source of revenue to defray the expenses of the North China Incident. Recognition of the necessity for cooperation because of the state of affairs at home and abroad led to the decision to apply the law in Taiwan August 1937. According to this law not only were income tax and the emergency profit tax increased, but special commodity taxes were levied against profit dividends, public bonds, part of the interest on corporate bonds, and specially designated commodities. The terms and period of the law are generally the same as for Japan Proper. The amount of tax collected in 1937 reached 1070,149 Yen.

23. Tax Reduction, Cancellation, or Postponement of Collection in the Case of Soldiers and Civilians in Service due to the China Incident

This law was put into effect beginning in October 1937. Its terms are the same as those of laws enforced in Japan Proper. Third class income tax business tax and land tax assessed against soldiers who have gone to the front or civilians in service due to the "Incident," were cancelled or reduced. Postponement of third class income taxes and business tax payment was allowed.

24. Farm-Rent on Government-Owned Land

Taxable government lands of this island, that is to say government owned fields, have had a varied history and the terminology with reference to them has frequently changed. At the time of the change in sovereignty government lands were regulated according to the old system, but since 1910 regulations in regard to taxable government land were established and thus the present stage has been reached.

25. Maps

Maps preserved by the Financial Affairs Bureau, consist of original maps (original cadastres) and topographical maps of the entire island in the scale 1/20,000 and 1/10,000.

All of them are in general carried over from the former Taiwan Land Census Bureau. The former cadastre maps were made for the purpose of establishing land tax regulations, forest and field census regulations and adjustments relating to unessential forests and fields. As of the present January 1, 1938 there are 75,765 original cadastre maps and 658,939 original survey maps. Aside from these, there are related survey ledgers and map revision records. These are all bases of cadastre maps and show clearly the history of changes in border lines and units. Therefore, after careful investigation, they are being preserved. The latter, namely, the topographical maps, are widely used in establishing facilities for national defense, administration, industries, industrial enterprises, and communications. Therefore, changes in the jurisdictional border lines of shu and cho and in places names due to the 1920 revision of the local administrative system were indicated on topographical maps with the exception of those of prohibited areas were put on sale to the public.

26. Land Surveying Markers

Land-surveying markers of the various surveys are carefully preserved. Triangulation points and water-level points are clarified. As of 1 January 1938, there were 9235 such points in the entire island, all based on Taiwan land survey markers regulation these are posted and the markers are preserved and used.

NOTE

Aside from the taxes already described, there is an educational tax. Due to its close relation with education it is described under the chapter dealing with education.

B. LOCAL TAXES

Local taxation in Taiwan is based upon Taiwan Local Tax Regulations fixed by Law No. 17 of July 1898. According to these regulations, four kinds of taxes were assessed: land tax, surtax, house tax, business tax, and miscellaneous tax. Due to the establishment of the shū system and the chō local expenditure ordinance, the shi system, and the gai-shō system, changes had to be made. The above organizations were granted power to buy the chō local expenditure tax and the shi, gai, shō tax which were now revised to include the following five types: land surtax, income surtax, household tax, business tax, and miscellaneous tax. Revisions in 1935 were made in the shū shi and gai-shō systems, but no radical changes were in local taxation system since 1920. Development of local administration resulted in increased financial demands and this, together with the advancement of social-economical conditions rendered the revised tax system of 1920 unsuitable and often resulted in unfair distribution of the tax burden. Consequently new Taiwan local tax regulations were promulgated by Government-General Decree No. 18 dated March 1937, and on the same date the Taiwan chō local expenditure tax regulations were promulgated under Government-General Decree No. 19. These made great changes in the local systems. Furthermore, due to the establishment of the Chō system in October 1937 the Taiwan Chō local expenditure laws and the Taiwan Chō local expenditure tax regulations were abolished. The old Chō local expenditure tax was renamed the "Chō Tax" and established as one provision under the Taiwan local tax regulations. The household tax provision of the old shū-chō tax was abolished or the end of 1938 by Government-General Decree No. 131 dated October 1938, and beginning with 1939 the household tax was transferred to shi-gai and shō. At the same time the shi gai, and shō income surtax was abolished. Further, by Government-General Decree No. 35 of April 1939, the house surtax was established and at this point the local tax system was finally adjusted. An explanation of its terms follows.

C. SHŪ TAXES AND CHŌ TAXES

The Shū tax and Chō tax are national surtaxes and include five kinds of taxes, namely income surtax (with the exception of second class income tax), land surtax, business surtax, house surtax, and mining surtax. There are also special taxes which include a special business tax and a miscellaneous tax of two kinds.

1. Income Surtax

The income surtax was first established by the 1920 tax revision. In the beginning it was levied against income tax of corporate persons (First class) and the rate was 17% of the original tax rate (Chō local expenditure 15%). Due to new establishment of shi, gai and shō taxes, the rate of taxation was changed to a Shū tax of 15%. Income from this tax amounted to 132,000 yen in 1920. Later, as a result of good business conditions, it increased annually and in 1936 the estimated amount was 235,403 yen. In

March 1937, the law was revised and a surtax was levied against third class income taxes as well, and the surtax rate in the Shū was limited to 18% of the original tax on first class incomes and to 25% of the original tax on 3rd class income. Each shū can levy out in this limitation. The income surtax for Chō local expenditure was changed to 18% for first class and 10% for the third class. As the rate of the main income tax increased however, the surtax increased accordingly, until 1939 household taxes, were left as shū tax or Chō taxes and then the house surtax was newly established. In order to avoid a sudden increase in the individual tax burden instructions were issued to keep the surtax rate under 20% of the income tax in Taikoku-shū and under 10% of the income tax in other Shū. In October 1938 rate limit of the income surtax was revised to 24% for first class and 30% for third class incomes. Each shū and chō was to assess within these limits. The revenue for 1939 was estimated at 1,438,635 yen.

2. Land Surtax

At the time of the establishment of the 1898 local tax regulations, the land surtax rate could not exceed 2/3 of the land tax rate. Since then, several revisions have been made. In 1920 the rate became 50% of the land tax. The revision of the local administrative system in October 1920 limited the rate to within 50% of the land tax. (Chō local expenditure tax, 40%). Additional taxes were levied against the land tax by shi, gai shō and in order to avoid sudden increase, the tax rate was to be held at 40% of the land tax by each shū. But the financial requirements gradually increased and beginning with 1927 the rate of the cho local expenditure tax was revised to 50%. In March 1935 the maximum tax allowed each shū was increased to 70% and in March 1936 the Cho local expenditure rate was revised to 60%. In accordance with a revision of March 1937 each shū was to establish its own rate within the limit of 100% of the land tax and the chō local expenditure surtax rate was revised to 70%. By the revision of September 1937 however, by which the Chō local expenditure tax was abolished and a Chō tax was newly established, the Chō were permitted to establish their own rates within the same limitation as the Shū. The income from the land surtax in 1898, when local tax laws were promulgated, was 215,000 yen. In 1912 it had gone up to 620,000 yen. In 1918, prior to revision in the administration of the system, it reached 1,545,000 yen. In 1939 the estimated amount jumped to 784,949 yen.

3. Business Surtax

This tax was newly established at the time of the March 1937 tax revision. The old local business tax was abolished and a business surtax (natural surtax) was levied against business whose profit exceeds 600 Yen. A local special business tax is assessed against businesses whose profit does not exceed 600 Yen. The rate of this tax in the shū is limited to 100% of the main tax and each shū establishes its own rate within this limit. The Chō local expenditure surtax was limited to 80% of the main tax. But later, as a result of the September 1937 revision (by which the Chō local expenditure tax was abolished and a chō tax limit was newly

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established) the Chō tax was revised to 100%, the same as the shū tax limit. The return for 1938 was estimated at 2,267,807 yen.

4. House Surtax

This tax was created by the Government-General Decree No. 35 of April 1939. The tax rate is limited to 150% of the Main Tax, each shū, and chō deciding its own rate within this limitation. The return for 1939 was estimated at 1,635,271 yen.

5. Mining Surtax

This tax was newly set up at the time of the tax revision of March 1937. The rate in the shū 20% of the Mining production tax and 7% of the Mining district tax. Since then, due to the revision of September 1937 by which the (chō local expenditure tax was abolished and a chō tax was newly set up) the Chō tax limit is the same as the shū limit. Estimated income from this source was 31,000 yen for 1939.

6. Special Business Tax

This tax was newly created by the tax revision of March 1937. Part of the old local business tax which had been levied heretofore was transferred to the National tax. Business on which there were no national levies were to be taxed by shū and chō. The first estimate of income for 1939 was 662,988 yen.

7. Miscellaneous Tax

The Miscellaneous taxes which are enforced by shū or chō consist of taxes on: ships and rafts, carts, sedan-chairs, dogs, narrow-railway-gage trackage, geisha women employed in amusement enterprises and on special income derived from theatrical performances, entertainments, slaughtering, and acquisition of fixed assets. By the March 1937 revision the Miscellaneous tax formerly assessed on public baths, barbers, and amusement places was transferred to the local business tax; taxes on miscellaneous markets, teachers of polite accomplishments, entertainers, actors, and actresses, were abolished; and new miscellaneous taxes were established on dogs, narrow-gage track, women employed in amusement enterprises, and on the acquisition of fixed assets. In 1898, income from this tax was only 99,000 yen, but in 1912 it advanced to 1,100,000 yen. Since then income has advanced with the times, as the basis of taxation has strengthened. The estimated amount for 1939 came to 5,378,494 yen.

D. SHŪ GAI AND SHŌ TAXES

Shū, gai, and shō taxes were first created in 1920 and in the beginning consisted of a land tax (a surtax imposed upon national taxes), an income tax (a surtax imposed upon first class income taxes), household taxes, business taxes, miscellaneous taxes, and special taxes, (surtaxes imposed

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upon shū and chō taxes). The rates were: land surtax, 30% of the land tax; income surtax, 2% of the income tax; business surtax, 38% of the business tax; miscellaneous surtaxes, 13% of the amount levied against special income taxes; 30% of the amount levied against other items.

As to land tax rate, in order to avoid a sudden increase in the tax burden, notification was issued at the time of the 1920 revision to the effect that the rate must be kept within 10% of the land tax. Later the development of shi, gai and shō resulted in increased financial demands, and the rate was therefore increased to 30% of land tax. As a result of the March 1937 revision, four kinds of national surtaxes were created, namely: income surtax (first class and third class), land surtax, business surtax, and mining enterprises surtax. Three kinds of shū or shō surtaxes, namely: household surtaxes, special business surtaxes, and miscellaneous surtaxes, and also special surtaxes, were created at the same time. These surtaxes rates are: 2% of the income tax; 50% of the land tax; 7% of the mining property; 50% of business tax; 10% of the mining production tax; 100% of the special business tax; a miscellaneous tax - 1/9th of the special income tax and 30% of other surtaxes. As the result of the March 1939 revision, beginning with 1939, the income surtax was abolished and in its place a house surtax was created. The rate of this tax was limited to 100% of the main tax, but in the beginning, in order to avoid a sudden burden, notification was sent to keep the rate within the limit of 50%.

As a result of the administrative revision of 1937, the government planned to institute a new household tax, in addition to the taxation standards employed in estimating the former Shū and Chō household taxes. Taxes were first estimated according to general resources, which could be judged from the condition of taxpayer's property. Beginning in 1939 shō, gai and shi taxes consisted of the following: land taxes, business taxes, house taxes and mining enterprise taxes (all surtaxes on national taxes); special business taxes, miscellaneous taxes (both surtaxes on Shū or Chō taxes), and as special tax (a tax upon the household tax). In addition, as special taxes, there are a city planning tax based upon city planning laws and a market tax (in Taikoku-shi only). Estimates of shi, gai, shō taxes for 1938 and 1939 are given on the following page.

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Table No. F - 16. ESTIMATED TOTALS OF SHI, GAI, & SHO TAX INCOME

Classification	Year	1938	1939	Increase Decrease *
	Yen			
Income Tax		52,582	3,802,768	* 52,582
Land Tax		3,734,492	1,552,777	68,276
Business Tax		1,345,701	550,087	207,076
House Tax		---	16,443	550,087
Mining Enterprise Tax		14,239	---	2,204
Household Tax		8,342,704	---	* 8,342,704
Special Business Tax		720,189	728,075	7,886
Miscellaneous Tax		1,481,400	1,540,823	59,423
Total		15,691,307	8,190,973	* 7,500,334
Special Tax, Household Tax		---	8,300,573	8,300,573
Special Tax, Market Tax		11,550	11,550	---
Special Tax, City Planning Tax		298,320	351,866	53,546
Total		309,870	8,663,989	8,354,119
Grand Total		16,001,177	16,854,962	853,785

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