

THE UNIVERSITY OF MINNESOTA

GRADUATE SCHOOL

Report

of

Committee on Examination

This is to certify that we the undersigned, as a committee of the Graduate School, have given Edwin Charles Culbert final oral examination for the degree of Master of Arts . We recommend that the degree of Master of Arts be conferred upon the candidate.

Minneapolis, Minnesota

5-25 1921

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THE UNIVERSITY OF MINNESOTA

GRADUATE SCHOOL

Report
of
Committee on Thesis

The undersigned, acting as a Committee of the Graduate School, have read the accompanying thesis submitted by Edwin Charles Culbert for the degree of Master of Arts.

They approve it as a thesis meeting the requirements of the Graduate School of the University of Minnesota, and recommend that it be accepted in partial fulfillment of the requirements for the degree of Master of Arts.

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21
1918

A STUDY OF STATE SCHOOL TAXES AS SOURCES OF STATE
SUPPORT FOR PUBLIC SCHOOLS

A Thesis
Submitted to the Graduate Faculty
of the
University of Minnesota
by

EDWIN CHARLES CULBERT

In Partial Fulfillment of the Requirements
for the
Degree of

MASTER OF ARTS

J U N E
1921

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1.

A STUDY OF STATE SCHOOL TAXES AS SOURCES OF STATE SUPPORT
FOR PUBLIC SCHOOLS.

Chapter I., Introduction.

The General Situation. To each one who surveys the educational field comes certain realizations. First, there is an ever increasing demand for education. This is evidenced by the rapid growth in the size and by the crowded conditions of our high schools, by a diminishing percentage of elimination, by an increasing percentage of enrollment, and finally, by the fact that employers of labor are beginning to insist that the young people whom they employ be better grounded in the fundamentals as taught in our public schools. Second, the demands made upon education grow greater every year. A few years ago we taught only a few "fundamental processes" in our schools. Today we have, as partial attempts to meet demands, multifarious vocational and semi-vocational courses,, courses in physical education, and so called "cultural" courses, Third, there is increasing recognition of the state as a factor in the educational situation. Schools are no longer primarily local institutions but are state institutions. An excellent statement of this recognition is given by Mr. John E. Bray, State Superintendent of Nevada, in his report for 1918, in which he writes: "The state has the largest interest in the education of its children because its very existence and prosperity depends upon education and it is the source of all authority for the creation of the means of education. It must therefore look at the question from all angles, see that sufficient money is provided for the maintenance of the schools, that the education system is in accord with the state's needs and that it is efficiently maintained." Fourth, now that the financial problem of the school is becoming

more burdensome there is a strong and growing demand that the state along with its control of public education shoulder a larger proportion of the cost. Superintendent Doughty of Texas well summarized the reasons for this demand when he wrote: "In education as elsewhere in the administration of our public affairs, the financial problem is most difficult of solution. Money is always needed where good schools are maintained. Every advance step in education calls for an increased outlay of public funds. New types of education and greater efficiency can be had only by increased expenditures. The lengthening of the school term in the poorer districts, the provision for compulsory attendance and expert supervision make increased financial demands upon the state as a whole".²

But, despite the recognition of these needs, unjust and disastrous inequalities still exist in every state in the union. These inequalities are in the **final analysis** due to inequalities in support. Inequalities in support, again, are caused by the fact that under our present system of school finance the schools derive an overwhelming percentage of their support from local units greatly differing among themselves both in educational zeal and in financial resources. At present men are asking with great seriousness whether the cure for existing inequalities must not be found in the state. There are good reasons why all communities cannot do equally well for their schools. Oftentimes the "chief difficulty" lies in the fact that the wealth of the state is massed in certain favored spots or sections while other sections are without property valuations large enough to support even a good system of elementary schools."³ Conse-

- 1- Nevada, Supt. of Public Instruction Report, 1918, p. 5.
- 2- Texas, Supt. of Public Instruction Report, 1916-18, p.7.
- 3- M. P. Shawkey; W.Va., Supt of Public Instruction Report 1918, p. 14.

quently, we are inclined to believe with Doughty that the "state must do more than it has done for its less fortunate communities" and that "the state... is not doing its full duty until it takes upon itself a large part of the burden of school support in the district."⁴ Just what proportion of the total school revenue should come from this source is not definitely determined although many hold with Doughty the opinion that "in keeping with the fact that the education of the people is the greatest business of the state, it is ... advisable that the state should provide at least half of the necessary funds for the support of the state's system of public free schools." The question of increasing state support leads us naturally to inquire, first, what are the present sources of state money for schools and, second, what are our potential sources for the future moneys? Up to the present time only three classes of state sources have been of any great importance in furnishing revenue for our schools, namely; permanent funds, appropriations, and taxes.

⁵The Problem Permanent funds are declining in relative importance. Appropriations come for the most part from funds derived largely from taxation. Hence, the state school tax seems of state sources of school revenue to be the one most deserving of careful study. It is the purpose of the study which follows to consider: (1) The present importance of the state school tax as a source of school revenue; (2) The types of state taxes now levied for state public school aid; (3) The distribution of the proceeds of these taxes; (4)

4-Texas, Supt. of Pub. Instruction Report, 1916-18, p.8.

5-Swift, F.H.; Address of Declining Relative Importance of State Funds in Public School Support, delivered before the Educational section of the American Ass'n. for the Advancement of Science, in Chicago, December 1920.

6-See Chap.III, p.30..

Certain other pertinent matters, especially the wider extension and larger use of the state school tax as a possible remedy for our present financial difficulties.

The Method The method employed in making such a study must necessarily be documentary and statistical rather than either historical or experimental.

The Sources The chief sources which have been employed include certain published and unpublished studies on state school finance, by Mr. F.H.Swift, bulletins of the U.S.Bureau of Education , and more particularly state official reports such as reports of auditors, controllers, boards of education, land commissioners, tax commissions superintendents of public instruction, and treasurers, together with the statutes, school laws, and session laws of the various states considered.

Difficulties The data in the following pages is not at all points satisfactory. due to errors and discrepancies found in our sources. These disagreements are of various types. It is obvious that in states whose fiscal and school years do not coincide we shall find little agreement between state superintendents' reports and treasurer's reports. Difficult and impossible to account for are discrepancies within the reports themselves such as the one found in both the Vermont Treasurer's report and the Vermont Superintendent's report. Here the moneys accruing from certain fees are added in with moneys accruing from the permanent school fund. When totaled and deducted from the treasurer's total they do not leave the balance indicated as having been turned over from the permanent school fund to the consolidated school fund in 1918. Accounts for 1917 found in

7- Vt. Treasurer's Report, 1918, p. 33.
Vt. State Board of Education Report, 1916-18, pp.27,32.

the same two reports when treated in the same manner do check. Vermont is not the only offender, however, for similar difficulties are encountered in the reports from many other states as citations throughout the following pages will show.

The Divisions of the Study. The study which follows is limited to those states which have a specific state tax, part or all of the proceeds of which are devoted to educational purposes. In order to determine the relative importance of such taxes it is necessary to have some knowledge of the other sources of state aid in these same states. This necessitates a preliminary discussion of permanent funds and appropriations. Hence, our study naturally falls under the following headings:

I- Major sources of state revenue for public schools, including taxes, appropriations, and permanent funds.

II- Summary of certain educational conditions in state school tax states.

III- Possible remedies for certain existing financial defects in public schools.

Chapter II

STATE SCHOOL TAXES

Introduction Twenty-nine of the forty-eight states in the union levy a state school tax of some sort. It is the purpose of the present chapter to discuss these taxes in detail, but before entering upon such a ^edescription it will be well to consider the relative advantages and disadvantages of the state tax as a producer of school revenue.

Advantages The first advantage of the state school tax is its convenience. The presence of an operative state tax tends to do away with legislative difficulties such as Minnesota and other states so frequently encounter whenever the appropriations bill for public schools comes up. The very fact that a tax will produce an amount of revenue estimable beforehand with a fair degree of accuracy encourages the following of a definite plan of state aid, for the state department knows how much money it may count on and can plan carefully for the disbursement of this money. On the other hand, if the department must depend upon the legislature for a sufficient appropriation to meet existing needs the best laid plans are likely to be shattered. Again, as a state becomes more populous and as its industries and wealth grow, tax receipts increase. Moreover, if at any time the revenue produced falls short of the sum necessary to meet expenses a very slight increase in the tax rate will restore the condition of equilibrium. To make, say a one half mill increase in the tax rate, seldom seems as radical a step as to appropriate outright a sum of money which the increased tax is intended to produce. Finally, taxes need not be levied exclusively as in the past upon tangible property such as real estate. Corporate franchises, occupations, incomes both of individuals and of corpor-

ations, and inheritances are sources of revenue which are already looming large.

But important as the above advantages are they must not blind us to the disadvantages attendant upon efforts to provide school revenue by taxation. To the exponent of taxation and more specifically of state wide taxation as a proper source from which to draw a large proportion of our school revenue it will no doubt seem that these disadvantages might better be styled difficulties. In any case the difficulties are sufficiently grave to demand consideration at this point for many persons see serious objections to placing great dependence upon taxes.

Disadvantages In the first place the average tax payer is inclined to be wary of any proposition to increase his taxes. The needs of the state are to him remote when compared to the immediate personal effect of increased annual payments caused by upward revision of the tax rate. Second, taxation as a form of support is at a disadvantage when compared with appropriations, for the expenditure of proceeds of taxes definitely levied for educational purposes may give rise to educational apathy. The appropriation system demands that just prior to and during each and every legislative session the newspapers dwell at length upon the chief needs of public common schools. As a result the individual citizen keeps well in touch with education. Conversely, when a tax levy does away with the need for appropriations there may be little reason for calling the attention of the public to the educational situation. Third, taxes are not infallible sources of revenue. The increased returns due to growth in valuation of the thing taxed do not necessarily keep pace with the increased expenditures requisite to meet growing needs. Besides, the estimated annual revenue from a tax is paid in as a rule not in

one year but throughout a period of years in the form of delinquent payments. Lastly, we may question whether the too wide usage of a state school tax as a source of state school support might not exert a deadening influence on educational development, for, *e* *l.* It is not improbable that the income might be specifically devoted to certain types of school work. Thus new projects could obtain aid only by expropriating the share or part of the share of projects previously established.

The advantages of the state school tax having been considered and the obstacles having been given due weight we may now turn to the study of the state school tax as it exists. Mention the passage of a new tax to any property holder. Immediately he desires to know what kind of a tax it is and how it will effect him and his business. Thus, since the type of tax levied is a matter of primary importance, we shall place it foremost in the discussion which follows.

TYPES OF TAXES

School Taxes in General This study endeavors to consider all the (state) common school taxes levied in the United States. Before beginning the study of state school taxes it was necessary to discover what states levied a state tax devoted by law wholly or in part to the purposes of education. To obtain this information required a survey of the school laws of each of the forty-eight states in the union. In order that no state be missed the list obtained from the survey was checked against Hood's Digest of School Laws. An exhaustive study was then made of the statutes of every state about which there was any doubt. The final results of the survey show that only twenty-nine states actually levy a state-wide school tax. These states are Alabama, Arizona, Arkansas, California,

Delaware, Florida, Georgia, Indiana, Kentucky, Louisiana, Maine, Massachusetts, Minnesota, Nevada, New Hampshire, New Jersey, New Mexico, North Carolina, North Dakota, Ohio, Tennessee, Texas, Utah, Vermont, Virginia, Washington, West Virginia, Wisconsin, and Wyoming. Within the bounds of these 29 states we find no less than the following different types of taxes levied: general mill taxes, bank taxes, corporation taxes, income taxes, inheritance taxes, occupation taxes, poll taxes, special purpose taxes, and miscellaneous taxes. No one of these states levies all of these taxes nor are the entire proceeds of the tax always devoted to schools. The number of states levying each type of tax or combination of types of taxes is indicated in the following summary:

Table I^a

Classes of State School Taxes and Number of States Levying Each
 no. of states levying classes of taxes levied

6	levy	general	mill	tax	alone.
1	"	"	"	"	, bank tax.
1	"	"	"	"	, special purpose tax. ^b
2	"	"	"	"	, corporation tax.
1	"	"	"	"	, poll tax.
1	"	"	"	"	, inheritance tax.
1	"	"	"	"	, corporation tax.
1	"	"	"	"	, occupation tax.
2	"	"	"	"	, miscellaneous tax.
3	"	"	"	"	, special purpose tax. ^b
3	"	"	"	"	, special purpose tax. ^b
1	"	"	"	"	, ^b occupation tax.
2	"	inheritance	tax,	corporation	tax.
2	"	income	tax	alone	
4	"	special	purpose	tax	alone. ^b

Footnotes to Table I.

- a- For sources of information see Table 2 and appended footnotes.
 - b- Special purpose taxes are taxes whose proceeds are specifically devoted by law to the aid or support of only one type of educational activity. e.g. vocational education or physical training.
-

Naturally, each of the nine classes of taxes listed in Table I can be further differentiated both as to type, method of levy, and rate of levy. In order to bring out these points and to provide a general quick and easy method of determining just exactly what type of state school tax each state levies and also what is the prevailing rate of the state school tax levied Table 2 has been constructed and is herewith presented:

TABLE NO. 2...

State Taxes Definitely Devoted to School Purposes.

*	A	B	C	D	E	
State	Year	Definite mill tax for general educational purposes	Mill tax. Rate undetermined. For gen. educ. purposes.	Mill tax for some specific purpose.	Poll tax.	Miscellaneous (a) special taxes (b) appropriations to education from returns from certain specific taxes.
Ala.	1915	3 mill ad val. ⁽¹⁾				
Ariz.	1919		Sufficient to raise \$750,000 ²			
Ark.	1920	3 mills ad val. ³ (const. limit)		1/5 mill for vocational education ⁴ of 21 and ⁵ over	\$1.00	
Cal.	1919				Income, up to \$250,000 from collateral inheritance taxes paid to state sch. fund. ⁶	
					Summ sufficient to equal \$15.00 per high school pupil in state paid from proceeds of corporation taxes. ⁷ (Rate of these taxes varies from .009% to 5.6%)	
Del.	1919				\$250,000 from income tax. Receipts go to school fund. ⁸ Distributed on basis of enrollment. Rate of tax 1%. (10 mills)	
					Proceeds of inheritance taxes. ⁹ (all proceeds above \$100,000 go to sinking fund). The rate of tax 2 to 8%. (see footnote)	
Ga.	1919	1 mill ad val. ¹⁰				
Ia.	1919				\$1.00 ¹¹ males	Dog tax (\$1.00 ¹² and show tax ¹³ go to current school fund. (rates vary)

Ill.	1920	2 mills ¹⁴		
Ind.	1919	1.36 mills ad val. ¹⁵	Voc. educ. ¹⁶ \$.50 formerly per 17 .1 mill, now voter .05 mills	
Iy.	1920	1.8 mills ad val. ¹⁸		Corporation franchise tax of 1.8 mills. ¹⁸
Ia.	1919	1.5 mills ad ad val. ¹⁹ also an additional 1 mill ad val. ²⁰		Entire proceeds of inheritance tax; ²² Rate 2% on inheritances of \$10,000 and over if receiver is closely related, otherwise 5%. License tax on sulphur and salt ²³ : 10¢ ^{per ton} on sulphur, 2¢ per ton on salt.
Ie.	1919	1.5 mills ad val. ²⁴ (Sch. mill fund) 1.5 mills ad val. ²⁵ (com. Sch. Fund)		Proceeds of 1/2 savings bank franchise tax. ²⁶ (Tax 1/2 %) 1/2 proceeds of tax on deposits of trust and banking companies. ²⁶ Tax 5/8 %.
Iass.	1919			Income tax used in part for state aid on a qualified teacher basis. ²⁷ Rates are 1 1/2% to 6%
Iinn.	1920	1.23 mills. 1 mill of this goes to com. ²⁸ school fund.		
Iev.	1919	.76 mills from gen. st. tax ²⁹ of 6.745 mills	.05 mills for physical educ- ation. ³⁰	
Ih.	1919	Propty. tax, un-organized parts of state. Rate 3.5 mills. ³²	Dist. gen. prop-erty tax sufficient to pay into state treasury \$2.00 for each child en-rolled during preceding year. ³¹	Bank tax on non-residents. ³² at local rates. (rates vary wide-ly)

N. J. 1918	2.75 mills ³⁴ (less \$100,000 abatement re- turned to coun- ties according to amt. paid in)	R.R. tax. After a sum equal to $\frac{1}{2}$ of 1% (.005) of the val- uation of the prop- erty taxes has been deducted from the proceeds of R.R. taxes and credited to the State gen. fund, the remain- der goes to schools. A special tax is imposed in order to produce this $\frac{1}{2}$ of 1%. For schools, the property is taxed at the average of the local rates.	
	School tax was ³⁶ 23.53 mills in 1919		
N. Mex. 1919	1.5 mills for current school fund. ³⁷ .5 mills ad val. ³⁸	Voc. ed. suff- icient to raise a sum equal to the amt. appro- priated. ³⁹ (\$5,000)	
N. Car. 1919	3.2 mills ad val. ⁴⁰	\$1.43 on each per- son of 21-50. ⁽⁴¹⁾	
N. Dak. 1919		Co, Agric. and training schools aid. Not to ex- ceed ⁴² .2 mill ad val.	
Ohio 1920	Formerly .055 mills. Now 1.8 mills ad val. ⁴³		
N. Car. 1919	(44)		
Penn. 1920	Elem. Sch. Aid Tax 1.5 mills ⁴⁵ and additional .5 mills ad val. ⁴⁶	.5 mills ad val. \$1.00 (47) per (H. S. Aid tax) adult (48)	
Tex. 1920	3.5 mills ad val. ⁴⁹	\$1.00 $\frac{1}{2}$ of occupa- (50) tion tax re- turns. ⁵¹ (State licen- ses range from \$1.00- \$300.00)	
Utah 1919	2.2 mills for sch. fund. ⁵² 2.4 mills for Dist. Schools ⁵³	H.S. Tax. .2 mill ad val. ⁵⁴	Occupation tax of \$1.00 on mining plus 5% of tot. net proceeds of mining

7/16 of this goes
to the state school
fund.⁵⁵

Wt. 1918 1 mill⁵⁶
(10¢ on the
grand list)

Va. 1920 1 mill ad val.⁵⁷
Extra taxes.
.8 mill on real
estate.⁶⁰ .4
mill on tangible
personal prop.⁶¹

\$1.00 $\frac{1}{2}$ inheritance tax
males proceeds. (Rate varies)⁵⁹
and
fe- R.R. tax 10¢ on
males every \$100.00 assessed valuation of
over intangible personal
21.⁵⁸ property and on
rolling stock.⁵⁷

ash. 1919
Tax sufficient
when proceeds
are added to quota from
permanent sch.
fund to pro-
duce \$10 per
child of sch.
age.⁶² (2 mills
in 1915)

Va. 1920

\$1.00 Marriage license
per tax.
male Tax on forfeit-
21 yrs. ures.
of age Tax on state
or ⁶³ licenses.⁶⁴
over

is. 1919 .7 mill⁶⁵
\$200,000
abatement
to this
taken from
gen. fund.

Sufficient to
pay aid for
graded schools⁶⁶

yo. 1919

H.S. Nor-
mal train-
ing.¹²⁵
mills, ad
val.⁶⁷

FOOTNOTES TO TABLE 2.

* Date of latest source of information.

1- Swift, F.H., Common School Finance in Alabama, p.310.

2- Ariz. School Laws, 1919, p. 70, par. 2815.

3- Ark. School Laws, 1914, p. 88.

4- Ark. Digest of School Laws, 1920, p. 216, sec. 6.

5- Ark. School Laws, 1914, pp. 11, 88, sections 7485, 7589 a.

6- Cal. School Laws, 1919, p. 349. The California inheritance law recognizes four classes of receivers. The rate of tax levied varies according to this classification and according to the size of the inheritance from 1 to 30 per cent. (Cal. Inheritance Tax Act, 1918, p. 136)

7- Cal. School Laws, 1919, p. 237, sec. 1760. Swift, Common School Finance in California (an unpublished study) Ms. pp. 27, 43 shows that these corporation taxes are all paid into the state general fund. All moneys for the state high school fund are appropriated from this general fund which is 72% (1918) derived from corporation tax proceeds. Appropriations for elementary schools also come from this general fund.

Beginning June 30, 1921 the state high school fund is to be \$30.00 per pupil in average daily attendance and the elementary school aid is to be raised to a like amount. (Amendment to sec. 6, art IX, State Constitution, passed Nov. 2, 1920.)

8- Del. Laws, 1917, chap. 25, 281 B. sec.246 and Laws, 1917, p.16 chap.8. The laws are at a variance here, for School Code, 1919, p. 92, sec. 212 states that the "entire Income Tax Income" shall go to the School Fund; whereas the Laws, 1917, Chap. 8, p. 16, sec. 1 state that \$250,000 from income tax proceeds shall go to public schools and the remainder to the state highway department. The latter is probably correct for the Auditor's Report, 1919, p.42 credits the School Fund with \$250,000 receipts from the income tax.

9- Ibid., Chap. 8, p. 16, sec. 2.

Delaware Inheritance Tax Rates. (Laws, 1917, Chap. 7, p. 12, sec. 109)

a- If estate goes to direct ascendants or descendants.

- 1% on part of valuation from \$3,000 to \$30,000.
- 2% " " " " " \$30,000 to \$100,000.
- 3% " " " " " \$100,000 to \$200,000.
- 4% " " " " " over \$200,000.

b- If estate goes to brothers, sisters, etc..

- 2% on part of valuation from \$1,000 to \$25,000.
- 3% " " " " " \$25,000 to \$100,000.
- 4% " " " " " \$100,000 to \$200,000.
- 5% " " " " " over \$200,000.

c- If estate goes to others.

- 5% on part of valuation up to \$25,000.
- 6% " " " " " from \$25,000 to "100,000.
- 7% " " " " " " \$100,000 to \$200,000
- 8% " " " " " over \$200,000.

- 10- Fla. Digest of School Laws, 1909, p. 6.
- 11- Ga. Code, 1911, sec. 917; and Constitution, Art. VIII, sec.3.
- 12- Ibid, sec. 972; and Constitution, loc.cit.
- 13- Ibid., Misc. sections Eighth Title, chap. 1, pp. 236-259. Constitution, loc.cit.
- 14- Ill. School Law, 1917, p. 74, sec. 210 reads "The common school fund of this state shall consist, until otherwise provided by law, of the proceeds of a two mill tax levied annually upon each dollar of the equalized assessed value of all the property of the state....."
However, this tax exists only on the statute books. "Since 1873 the legislature has appropriated a fixed sum in lieu of the proceeds of the two mill state school tax". (Swift, F.H., Common School Finance in Illinois, (an unpublished study) p. 8. A personal letter from Supt. Blair verifies this statement and gives the appropriation beginning in 1919 as \$6,000,000 per year. (Ibid, p. 11)
- 15- Ind. School Laws, 1917. p. 190, sec. 361.
- 16- Ibid, p. 81.
- 17- School Law Supplement, 1919, p. 47.
- 18- Ky. School Laws, 1918, p. 8, sec.9.
- 19- Constitutional Amendment, La. Public School Laws, 1919, p.22. \$50,000 from this goes to the Delgado Trade School in New Orleans. Constitution, Art. 254 reads "not less than one and one fourth mills of the six mills tax levied and collected by the state" shall go to public schools. (Public School Laws, 1919, p. 10)
- 20- Act. No. 55, 1920, Department of Education Circular, No. 1068, July 13, 1920, pl 2. (Louisiana)
- 21- La. Public School Laws, 1919, p. 24, sec.1. Not clear whether or not there is a state school poll tax. \$500.00 penalty for tax collectors who fail to keep a record of poll tax payments. (Act. 180, 1902)
- 22- Ibid, p. 195, sec. 10.
- 23- La. Acts, 1902, No. 180.
- 24- Me. School Laws, 1919, sec. 156,
- 25- Ibid, sec. 160.
- 26- Ibid, p. 64, sec. 153. For rates see Me. Statutes, 1916, pp. 221 222, 225, and secs. 60, 61, 72.
- 27- "The treasurer and receiver general shall, on or before the 15th day of November 1919, and annually thereafter, set aside from the proceeds of the income tax a sum of money sufficient to provide for the purposes of Part I of this Act." (Mass. Educational Legislation Enacted in 1919, p. 30, sec.1.) An additional sum of \$200,000 may be appropriated from the income tax if necessary to bring the school fund up to the amount needed-- Ibid, p. 33, sec. 13.

- 28- Minn. Report on the Revision of State Aid, p. 83.
- 29- Nev. School Code, 1919, p. 159, sec. 2.
- 30- Ibid, p. 154, sec. 3.
- 31- N.H. an Act, etc. 1919, sec. 10 (For full title see bibliography)
- 32- Ibid, sec. 23-
- 33- "Taxes collected by the state on deposits, stock, and attending accumulations of depositors and stockholder of savings banks; trust, and loan and trust, companies; loan and banking companies, building and loan associations; and other similar corporations who do not reside in this state or whose residence is unknown". - N.H. Public School Laws, 1917, p. 7.
- 34- N.J. School Laws, 1918, p. 126, sec. 251.
- 35- Ibid, p. 187, sec. 378.
- 36- N.J. Report of the State Board of Estimate, 1919, p. 175. This like many other state laws has a joker in it. There are numerous deductions from the proceeds of this tax before it reaches the schools,
 e. g., Out of this tax comes:
 a- General fund share.
 b- The one mill levy on canal and railroad property for the State Road Fund. (N.J. Tax. Comm. Rept. 1918, p.181.)
 c- The one mill levy for the Interstate Bridge and Tunnel Fund. (Ibid, p. 131.)
 d- Teacher's pensions. (N.J. Acts, 1914, chap. 268.)
 e- Sums for
 1- State Normal School at Trenton. (Acts, 1909, chap. 65, p. 90.)
 2- State Normal School at Montclair Heights, (Ibid)
 3- State Scholarships at Rutgers, (Ibid)
 4- New Jersey School for Deaf, (Ibid)
 5- Manual Training Industrial School for Colored Youths (Ibid)
 6- County Superintendents, (Ibid)
 7- Evening Schools for Foreigners. (Ibid)
 8- Superintendent of Public Instruction, (Ibid)
 9- Vocational Schools. (N.J. Acts, 1913, chap. 294)
- 37- N.Mex. Session Laws, 1915, chap. 79, sec. 1.
- 38- N.Mex. School Laws, 1919, p. 55, art. 2, sec. 1.
- 39- Ibid, p. 14.
- 40- N. Car. New School Legislation, 1919, p.5, sec. 1. (Prior to 1919 there was no state mill tax for schools.)
- 41- N. Car. Public Laws, 1919, Chap. 90, sec. 3. Not more than 25% of the proceeds of the poll tax shall be appropriated for the poor - remainder to go to the schools. N. Car. Revisal of 1905, vol.II, p. 614.
- 42- N. Dak. General School Laws, 1915-17, p. 96, sec. 1470.

- 43- Ohio, School Laws, 1915, p. 150, sec. 27878, and Advance Sheets, 1920, p. 10, sec. 7575.
- 44- Constitution clearly provides for a state school tax; "The General Assembly shall cause to be levied annually upon all the taxable property of the state such a tax in addition to county and poll taxes as may be necessary to keep schools open throughout the state for such length of time in each scholastic year as the General Assembly may prescribe..."
- S.Car. General School Laws, 1919, p.5.
"An extra school tax of one mill in 1913 was the first effort of the state legislature in recent years to strengthen the public schools by direct state levy" -- "Opposition to the renewal of this levy was so strong in 1914 that the General Assembly substituted direct appropriations of equal amounts."
- N.Car. Supt. of Public Instruction Report, 1914, pp.44,45.
- 45- Tenn. Common School Laws, 1917, p.58.
- 46- Tenn. An Act. 1919, sec. 6.
- 47- Tenn. Common School Laws, 1917, p. 28.
- 48- Tenn. Supt. of Public Instruction Report, 1918, p. 56.
- 49- Texas School Legislation of the Second Session of the 36th Legislature, pp. 4, 5.
- 50- Texas Constitutional Provisions, Public School Laws, 1917, pp. 5, 8. secs. 3, 1.
- 51- Texas Statutes, 1897, vol II; Supplement, 1906, p. 500.
- 52- Utah Compiled Laws, 1917, sec. 5998.
- 53- Utah Session Laws, 1917, chap. 85, p. 247, sec. 2.
- 54- Utah School Laws, 1919, p. 927, sec. 4575.
- 55- Utah Compiled Laws, 1917, sec. 5962. Formerly 2%, see Session Laws, 1917, chap. 97, secs. 1, 2, 18; Now 5% - Session Laws, 1919, Chap. 114. Net proceeds are determined by deduction of all costs for operation, maintenance, outlay, transportation, etc, from total receipts, - Session Laws, 1919, Chap. 114, sec. 5864.
- 56- Vt. General Laws, 1918, p. 36, sec. 1366. Grand list equals one per cent of the appraised value of taxable property plus the poll tax, Ibid, sec. 1331.
- 57- Va. School Laws, 1915, pp. 114-119, sec. 149, Amendments, 1916, p. 10. Code, 1919, sec. 746. This includes an exact statement of each and every kind of property to be taxed but simmered down is equivalent to general state 1 mill tax.
- 58- Va. School Laws, 1920, pp. 6, 81, secs. g, 19 a.
- 59- Va. Amendments, 1916. $\frac{1}{2}$ proceeds to credit of public school fund remainder to schools in county where tax is collected. Va. Code, 1919, p. 2215.
- 60- Va. School Laws, 1920, p. 81, sec. 19 (a).
- 61- Ibid, p. 81, sec. 19 (c).

- 62- Wash. Code of Public Instruction Annotated, p. 109, Art, 346
and Wash. Department of Education Bulletin No. 28, p. 6.
- 63- W.Va. School Laws, 1920, p. 4 (Constitutional Provision).
- 64- Ibid, p. 72, sec. 7. Are really licenses. Rates vary greatly.
W.Va. Supplement to the Code, 1909, Chap. 32, pp. 167-206.
No data available regarding marriage licenses or forfeiture
taxes.
- 65- Wis. Common School Laws, 1919, p. 187, sec. 20.25.
- 66- Ibid, p. 188, sec. 20.26 (2) (d). \$175,000 H.S.Aid Money
taken from General Fund is made up by annual tax levy. Ibid,
p. 188, sec. 20.27. (2) (d).
- 67- Wyo. School Laws, 1919, p. 16, sec. 40.

Summary of Material Contained in Table 2

General Mill Taxes A general summary and explanation of the main points of Table 2 will serve to fix these points somewhat better in mind. To begin with, the methods of levy are much the same for all the general taxes found in Table 2. Definite mill taxes such as those indicated in col. A of Table 2 are levied upon all taxable property in the state with certain exceptions, notably the following:

(1) Kentucky. Here the 1.8 mill tax^X is extended to cover corporation franchises. (2) New Hampshire. In New Hampshire the 3.5 mill tax is levied solely upon property in unorganized parts of the state. (3) Virginia. Here we have an additional .8 mill tax on real estate and .4 mill on personal property over and above the regular one mill tax.

The range of these general school mill taxes is from 4.6 mills (Utah) to .7 mill (Wisconsin) with the theoretical median at 1.9 mills or midway between the levies of New Mexico and Tennessee and Kentucky and Ohio.

Indeterminate and Specifically Appropriated Taxes Taxes included under cols. B and C, Table 2 are levied on exactly the same classes of property. The only difference between these taxes and the taxes found in col. A is that those in col. B are figured so as to produce a certain predetermined sum and the proceeds of those in col. C are definitely appropriated for special types of state aid. The range of estimated returns from the indeterminate taxes (col. B) is from \$15,000 to \$750,000. Taxes for special purposes (col. C) are at rates ranging from .05 to .5 mills with the median rate of .2 mills levied by Arkansas, North Dakota, and Utah.

Poll Taxes State school poll taxes, col. D, Table 2 are levied in only nine states. The tax is \$1.00 per head except in Indiana where it is \$.50, and North Carolina where it is \$1.45. The capitation

tax is a very ancient form of tax. Our table shows that as a state school tax it has survived mainly in the southern states.

Miscellaneous Taxes Among the miscellaneous taxes grouped in col. E, Table 2 are to be found the newer sources of revenue for state school support that are now coming into use. They consist of (1) corporation taxes, (2) income taxes, (3) inheritance taxes, (4) occupation taxes, and (5) certain other more or less insignificant taxes. It is of interest to note the general trend of these departures from the time honored modes of taxation.

Group 1, Corporation Taxes may be further divided into three sections, containing respectively: (a) the New Hampshire and Maine bank taxes, (b) the New Jersey and Virginia railroad taxes, and (c) the California and Kentucky general corporation taxes. The provisions for the levying of each of these taxes are as follows:

Group 1(a), Bank Taxes The New Hampshire bank tax is levied on "deposits, stock, and attending accumulations of depositors and stockholders of savings banks; trust, and trust and banking companies; building and loan associations, and similar corporations which do not reside in the state or whose residence is unknown"¹. The rates vary widely.

Maine levies taxes upon bank franchises and bank deposits. One half the proceeds of these taxes go to public schools. The bank franchise tax (rate 5/8 of one per cent) is levied on the balance from the deposit reserve fund after deducting a sum determined by totaling the banks assets in the form of United States, state and municipal bonds, non-taxable mortgages, the assessed valuation of the bank's real estate, two fifths of the value of loans, assets, and investments within the state, and two fifths of the cash on hand

1- N.H. Public School Laws, 1917, p. 7.

or on deposit within the state.² The tax on the deposits of trust, and banking companies (rate $\frac{1}{2}$ of one per cent) is levied on the balance of the deposits after a sum equal to the value of all holdings in the form of United States, state, local, and non-taxable corporation bonds has been deducted.³

Group 1(b), Railroad Taxes The New Jersey system of railroad taxation is rather complicated. The laws provide that after a sum equal to $\frac{1}{2}$ of one per cent of the valuation of the property taxed has been deducted from the tax proceeds the remainder shall go to public schools.⁴ Section 9 of article 173, page 175 of the 1918 Tax Laws provides that this tax shall be at the average of the local rates after the State's $\frac{1}{2}$ of one per cent has been raised. The statement found in the school laws (see footnote) is not absolutely accurate, however, for sections 98 and 175 of the Tax Laws provide for a one mill levy on railroad and canal property for the state road fund,⁵ and, also, for an additional one mill levy for the interstate bridge and tunnel fund.⁶ Furthermore, the Acts of 1909 provide for deductions for eight special purposes before the proceeds are paid into the state treasury,⁷ The Acts of 1919, chapter 268 added teacher's pensions to this list of deductions.

Virginia's railroad tax system contrasted with that of New Jersey is quite simple. A tax of "ten cents on every one hundred dollars

2- Me. Statutes, 1916, p. 221, 222, secs. 60, 61.

3- Ibid, p. 225, sec. 72.

4- N.J. School Laws, 1918, p. 187, sec. 378.

5- Ibid, p. 181, sec. 175e.

6- Ibid, p. 131, sec. 98.

7- N.J. Acts, 1909, Chap. 65. The deductions mentioned are for:

- 1- The State Normal School at Trenton.
- 2- State Scholarships at Rutgers.
- 3- The New Jersey School for the Deaf.
- 4- County Superintendents.
- 5- The State Normal School at Montclair Heights.
- 6- The Manual Training Industrial School for Colored Youths.
- 7- Evening Schools for Foreigners.
- 8- The Superintendent of Public Instruction's Department.

of assessed valuation of the rolling stock of corporations operating railroads by steam and a like amount on every one hundred dollars of the assessed valuation of intangible personal property" is provided for⁸.

Group 1(c), General Corporation Taxes In general corporation taxation, just as in railroad taxation, we have two extremes. First there is California which taxes all classes of corporations. The rates of these taxes run all the way from .009 per cent on express companies to 5.6 per cent on gas and electric companies.⁹ The entire proceeds of these taxes do not go to the public schools although the law provides that schools shall have first claim upon them. The only portion of the corporation tax proceeds which goes directly to public schools is the \$15.00 per pupil in average daily attendance in high school which the state comptroller deducts for distribution to the schools.¹⁰

Next comes Kentucky which provides merely that the state school tax of eighteen cents per one hundred dollars valuation shall cover corporation franchises as well as real and personal property!¹¹ Section 4019 of the Laws which makes this provision has evidently been construed to apply to proceeds of any and all types of taxes for the state superintendent on page xvii of his 1919 report states that the courts have decreed that, despite the objections of the treasury department, 18/40 of the inheritance tax proceeds must be paid over

8- Code of Virginia, 1919, sec. 746. Intangible personal property includes: (1) bonds, (2) all capital not listed as real estate or personal property, (3) value of principal of personal estate, credits, (4) all money not otherwise listed, and (5) shares of stock. Code of 1919, App. Tax bill sec. 8.

9- Swift, F.H.; Common School Finance in California (an unpublished study) Table XV.

10- Ibid, p. 43.

11- Ky. School Laws, 1918, p. 8, sec. 9.

to the current school fund. A very careful examination of the statutes and session laws has failed to throw any light on the reason why this transfer should be made unless, as has been stated, section 4019 of the statutes is construed as applying to each of the one hundred or more sections on taxation which follow it.

Group 2. Income Taxes In group 2 under income taxes we find Massachusetts and Delaware. The Massachusetts income tax has four different divisions. There is a ^a $1\frac{1}{2}\%$ tax on annuities, a tax of $1\frac{1}{2}$ per cent on the earnings in excess of \$2000 per year in professional fields, a 3 per cent tax on gains in dealings, and a 6 per cent tax of the interest accruing from money, notes, dividends, etc.¹² During the year 1918-19 this tax was raised one per cent throughout.¹³ The entire proceeds of the tax do not at present go to public schools. However, if the present method provided for distributing the income ^{tax} proceeds to public schools is consistently followed for a number of years the amount going to public schools may some day be as great as the total proceeds from the tax. We shall reserve discussion of the legal provisions for distributing the Massachusetts income tax proceeds for a later section and will now turn to the Delaware income tax.

The Delaware income tax law provides a levy of one per cent on the entire net income received by each and every taxable person or organization from all sources during the preceding year.¹⁵ Chap. 8, volume xxix of the Laws of Delaware specifies that \$250,000 from the income tax proceeds shall go to public schools and that the balance shall go to the state highway department. This appropriation is further substantiated by the Laws, of 1919, Chapter on appropri-

12- Mass. General Acts, 1916, Chapter 269.

13- Mass. Acts, 1919, p. 304, Chap. 324.

14- See p...

15- Delaware Laws, 1917, Chap. 25, Art. 281 B, sec. 246.

ations, and by the Auditor's Report for 1919, p. 42.¹⁶

Group 3, Inheritance Taxes: Group three numbersfffour states among its proponents. Each of these states, Louisiana excepted, has a graduated rate of tax on inheritances. California will be the first of the four states levying inherintance taxes for public school to be considered. By law California provides that "all taxes levied and collected under this act up to the sum of \$250,000 annually shall be paid into the treasury of the state for uses of the state school fund."¹⁷ As has been previously stated this tax is levied according to a sliding scale of rates, the rate being determined both by the degree of consanguinity of the heir and by the value of the inheritance. Four classes of heirs are recognized²⁰ viz: Class A husband, wife, child, or parent; Class B: brother, sister, descendents of either, and spouse of a child; Class C: uncle, aunt, or descendent of either; Class D: all others. The rate of tax imposed upon each of these four classes of beneficiaries is given in Table 3.

Table 3²⁰

Rate of California Inheritance Tax Levies

Beneficiary	On excess after deduction of exemption from \$25,000	Rate on Inheritances of						
		\$25,000 to 50,000	\$50,000 to 100,000	\$100,000 to 200,000	\$200,000 to 300,000	\$300,000 to 1,000,000	\$1,000,000 over	
Class A	1%	2%	4%	7%	10%	12%	15%	
Class B	3%	6%	9%	12%	15%	20%	25%	
Class C	4%	8%	10%	15%	20%	25%	30%	
Class D	5%	10%	15%	20%	25%	30%	30%	

16- See Table 2, footnote 8.

17- Calif. School Laws, 1919, p. 349.

20- Calif. Inheritance Tax Act, 1918, p. 136.

Delaware, likewise, devotes only a part of her inheritance tax proceeds to schools. The Laws, 1917, provide that all proceeds in excess of \$100,000 shall go to the state sinking fund.²¹ Delaware recognizes three classes of beneficiaries as opposed to California's four. The Delaware classification is as follows: A: Direct ascendants and descendants; B. Brothers, sisters, etc; C. All others. Here again it has been found advisable to tabulate the ratio with which the rates increase. The tabular arrangement of the tax rates follows in Table 4.

Table 4²²

Classification of Delaware Inheritance Tax Rates on the Basis of Types of Beneficiaries and Value of Inheritances

Beneficiary exemption	Rate of Tax to be paid on inheritances of					
	Exemption to \$25,000	to 30,000	to 100,000	to 200,000	all over	
Class A	\$3000	1%		2%	3%	4%
Class B	1000	2%	3%		4%	5%
Class C		5%	6%		7%	8%

In Virginia we find a third state recognizing three classes of receivers of inheritances, taxing them accordingly on a rising scale and devoting to education only a part of the sums thus produced. However, although the state of Virginia does not turn the entire proceeds of the inheritance tax in to the school fund all of the money produced by the tax is spent for common schools for: The law specifies that of the entire inheritance tax proceeds $\frac{1}{2}$ shall go to the credit of the public school fund to be apportioned to schools on

21- Del. Laws, 1917, p. 16 Chap. 8, sec. 2.

22- Ibid, p. 12 Chap. 7, sec. 109.

a basis of school population and the other half shall revert to the county or district where it was collected, there to be used for the benefit of primary and grammar grades.²³ Virginia, like Delaware, recognizes three classes of receivers of inheritances,²⁴ viz: A. Husband, wife, lineal ancestor, and lineal descendent; B. Brother, sister, nephew, or niece; C. All others. In Virginia, just as in California and in Delaware, we have a gradation in the percentage of the inheritance claimed by the state progressively increasing according to the value of the inheritance and the proximity of kinship of the beneficiary. Table 5 summarizes the provisions for this increase in rate.

Table 5²⁴

A Summary of the Provisions Made by the State of Virginia
Relative to the Taxation of Inheritances

Exemption	On Inheritances Ranging from					
	upper limit of exemption to \$50,000	\$50,000 to 100,000	100,000 to 200,000	200,000 to 500,000	500,000 to 1,000,000	over 1,000,000
Class A	\$10,000	1%	2%	3%	4%	5%
Class B	4,000	2%	4%	6%	8%	10%
Class C	1,000	5%	7%	9%	12%	15%

Louisiana, the last of the group of states levying inheritance taxes for public school support, differs considerably from the method of levy adopted by the other three states. She taxes all estates not valued under \$10,000 at a flat rate of 2% if the beneficiary is either husband, wife, direct ascendent, or direct descendent of the deceased and at a rate of 5% if the beneficiary is a collateral

23- Va. Code, 1919, p. 2219, sec. 44 par. 15.

24- Ibid, p. 2215

18 - Ky. Supt. Pub. Instr. Rept., 1919, p. xvii

relative or a stranger.²⁵

We must not fail at this point to again refer to Kentucky which has an inheritance tax law making no mention of public schools, yet 18/40 of the inheritance tax proceeds go to the school fund.¹⁸ As was previously stated the only apparent justification for this action is that section 4019 of the statutes, the first section of the chapter on taxation, provides for a tax of 40 cents on each \$100 valuation of all real and personal estate and corporated franchises and directs that 18 cents out of each forty be accredited to public schools.²⁶

Group 4, Occupation Taxes Having now considered the first three types of taxation listed in col. E, Table 2, viz: corporation taxation, income taxation, and inheritance taxation we may turn to the question of occupation taxation, the fourth type in this group. So far Texas and Utah alone make use of occupation taxation as a source of state public school support. Texas occupation taxes cover a multitude of pursuits and range in rate from \$1.00 to \$300.00. They are really licenses although termed taxes.²⁷

Utah limits her occupation tax for schools to two taxes on mining. First, there is a license tax of \$1.00 on every "person, corporation or association" engaged in working mines²⁸ (employees excepted). Second, there is a tax of 5 per cent²⁹ on the total net proceeds of the mining operations and products.³⁰

25- La. Public School Laws, 1919, p. 24, sec.1.

26- Ky. School Laws, 1918, p. 8, sec. 91

27- Sayles; Texas Civil Statutes, 1897, vol II, art. 5049. Supp. to the Statutes, 1906, p. 500, art. 5049.

28- Compiled Laws of Utah, 1917, sec. 5962.

29- Utah Session Laws, 1919, Chap. 114.

30- Total net proceeds are proceeds realized on the conversion into money or its equivalent of all ores, including dumps or tailing after deductions for the following expenses have been made:

- 1- Cost of labor, tools, and supplies.
- 2- Necessary clerical expenses within the state.
- 3- Cost of installation, construction, maintenance, and

Group 5, Miscellaneous We have now remaining for consideration only group 5, of col. E, Table 2. On p.21. group 5 was classified as miscellaneous. Under this heading are listed several unimportant taxes ordinarily devoted either to local purposes or to general state purposes. Consequently, it will be sufficient to here state that Georgia levies a \$1.00 dog tax and show taxes at varying rates³¹ and that West Virginia has three state license taxes³² before going on to our next chapter and a discussion of the purpose of the state school taxes levied.

repair of machinery and improvements.

4- Cost of reduction works and mills.

5- Transportation charges on ore.

6- Cost of assaying, sampling, reducing and smelting.

7- Amount paid for state and local taxes.

8- Amount paid for compensation or compensation insurance during the year.

-Utah Session Laws, 1919, Chap. 114, sec.5864.

31- Ga. Code, 1911, secs. 967, 972.

32- W.Va. Code Supplement of 1909, chap. 32.

Chapter III.

PURPOSE, DISTRIBUTION, AND INCOME OF STATE SCHOOL TAXES.

Introduction. The present chapter will continue and complete the discussion of state school taxes begun in Chapter II. In the following pages we shall deal with (a) the purposes, (b) the distribution, and (c) the income produced by state school taxes.

The Purpose of the State School Tax

Closely allied to the question of the type of tax levied is the question of purpose for which the tax is levied. We seldom find the purpose of the state school tax stated specifically in the laws. It would seem from this that the tax in such cases is intended to produce the moneys which the state needs for carrying out its plan of state school aid and support, but that the specific purposes for which the money may be spent is left to the discretion of either the state board of education or the local units. Nevertheless, despite the silence of the lawmakers regarding the purpose of the state school tax, the purpose can be discovered in part through a knowledge of the method and basis provided by apportioning the tax proceeds. This is clearly evident in the case of a state tax levied for subsidizing some special project such as physical education or teacher training. As we have stated in the previous chapter, ten of our states do levy taxes for certain very definite types of state aid or support. A statement of the purpose of each of these levies will not be amiss at this point.

Three states (California, Tennessee, and Utah) levy special taxes for high school aid. A like number (Arkansas, Indiana, and New Mexico) levy special taxes for vocational education. One, Nevada, levies a tax for physical education. Another, Wyoming, a tax for

high school normal training, and still others (North Dakota and Wisconsin) taxes for agriculture and normal training, and graded school aid respectively.

Though less evident where the proceeds are devoted to the general state fund, the purpose will, never the less, frequently be found implied.

Distribution of State School Tax Proceeds

Having considered (1) the advantages and disadvantages of taxation as a source of state revenue for common schools, (2) the types of taxes levied for state school support, and (3) the purposes for which school taxes are levied we are prepared to inquire into the manner of the distribution of state school tax proceeds. A study of the provisions of the state school laws brings to light the facts revealed in Table 6.

Table 6

Distribution of the Proceeds of State School Taxes in 29
States Levying the Same

Methods and State		
Entire Proceeds to Current School Fund or else no special method provided	Part of Tax Proceeds to current school fund-part distributed by special method	Special Provision for Distribution of Tax Proceeds
Alabama ¹	Arkansas - poll tax ¹⁷	Arkansas - tax for vocational education ¹⁸
Arizona ²	California - in-heritance tax ¹⁹	California - corporation tax ²⁰
Delaware ³	Maine - Bank tax ²²	Maine ²³ general mill taxes
Georgia ⁴		Florida - mill tax ²¹
Indiana ⁵		Mass. - income tax ²⁴
Kentucky ⁶		Nevada - tax for physical training ²⁶
Louisiana ⁷	Nevada - general mill tax ²⁵	New Jersey ²⁸ railroad tax
Minnesota ⁸	New Jersey - state school tax ²⁷	North Carolina - general mill tax ²⁹
New Hampshire ⁹		North Dakota - tax for normal training and agriculture ³⁰
New Mexico ¹⁰		Tennessee - tax for elementary schools ³¹
Ohio ¹¹		Utah - tax for high schools ³³
Texas ¹²	Utah - general school tax ³²	Virginia - inheritance tax ³⁵
Vermont ¹³	Virginia - poll tax, prop. tax ³⁴	Wyoming - tax for normal training ³⁶
Washington ¹⁴		
West Virginia ¹⁵		
Wisconsin ¹⁶		

Footnotes to Table 6

- 1- no information.
 2- Ariz. School Laws, 1919, p. 70, sec. 2815.
 3- Del. School Code, 1919, p.92, secs. 212,213; Acts, 1917 chap.8

- 4- Ga. School Code, 1919, p. 6; Code, 1911 p. 391, sec.1515.
- 5- Ind. School Laws, 1917, p. 190, sec. 361.
- 6- Ky. School Laws, 1918, p. 8, sec. 9.
- 7- La. Public School Laws, 1919, pp. 102-103.
- 8- Minn. Laws Relating to the Public School System, 1919, p. 56, sec.192.
- 9- N.H. Public School Laws, 1917, p. 74.
- 10- N.M. Statutes, 1915, p. 86.
- 11- Ohio Laws, 1915 and 1919, sec. 7575.
- 12- Texas Public School Laws, 1917, p. 8, sec. 1.
- 13- Vt. General Laws, 1918, p. 36, secs. 1366, 1369.
- 14- Wash. Code of Public Instruction, 1917, p. 109, art. 346.
- 15- W.Va. Supplement to the Code, 1909, p. 104, art, p. 357, sec.1599
- 16- Wis. School Code, 1919, p. 184, art, 20.24, sec. 2.
- 17- Ark. Digest of School Laws, 1920, p. 22, sec.7490.
- 18- Ibid, p. 216, sec. 6.
- 19- Calif. School Laws, 1919, p. 349.
- 20- Swift, F.H., Common School Finance in California (unpublished) p.43
- 21- Fla. Digest of School Laws, 1909, p. 10, par. 4.
- 22- Me. School Laws, 1919, p. 64, sec. 153.
- 23- Ibid, secs. 156-157, 160-161, 169-176, 135-139.
- 24- Mass. Educational Legislation Enacted in 1919, pp. 30,31,secs. 3, 4, 6.
- 25- Nev. School Code, 1919, p. 159, sec. 2.
- 26- Ibid, p. 154, secs. 3,4.
- 27- N.J. School Laws, 1918, p. 126, sec. 251.
- 28- Ibid, secs. 380, 391, 405, 407, 410, 420, 442.
- 29- N.Car. New School Laws, 1919, secs.1-2,5-6,11-14.
- 30- N.Dak. General School Laws, 1915-17, p. 96, sec. 1470.
- 31- Tenn. Common School Laws, 1917, p. 58. Gen. Sch. Laws, 1919, p.8.
- 32- Utah Compiled Laws, 1917, sec. 4518.
- 33- Utah School Laws, 1919, p. 928, sec. 4580.

34- Va. School Laws, 1915, sec. 136.

35- Tax Bill sec. 44, par. 15. Code of Virginia, 1919, p. 2219.

36- Wyo. School Laws, 1919, p.16, sec. 40.

From Table 6 we see that sixteen of the twenty-nine states which levy state common school taxes, add[?] the entire proceeds to the state current school[?] fund and then distribute the entire amount as a lump sum. Seven states add the proceeds of certain taxes to the current fund and distribute other taxes after a specific method. Only thirteen states make anything like careful provision by law for the distribution of the state school tax proceeds as a separate fund. These thirteen states (see Table 6) and their provisions are as follows:

Arkansas: The laws of Arkansas do not provide the definite amounts to be used for various purposes. They provide merely that the 1/5 mill tax for the support of vocational education shall be used for (1) encouragement and aid in the teaching of elementary agriculture, home economics, and manual training, and (2) for the training of rural school teachers.¹

California: California provides that the state comptroller shall estimate the amount (at \$15.00 per pupil in average daily attendance during the preceding year) necessary to support high schools and that this sum shall be deducted from the corporation tax proceeds and credited to the state high school fund to be distributed as state high school aid.²

The California special legislative commission on education reporting in 1920 states that this high school fund is distributed

1- Ark. Digest of School Laws, 1920, p. 216, sec.6.

as follows: 1/3 equally to all high schools regardless of size, and 2/3 to high schools on the basis of their average daily attendance.^{2a}

Florida: Florida's provisions for disbursement of the school tax moneys are very simple. The state one mill tax is apportioned to schools according to the average daily attendance of pupils of 6 to 21 therein enrolled.³

Maine: Maine has two different mill taxes whose method of distribution is specified by law. First, there is the 1 1/2 mill tax on all property for the benefit of the School Mill Fund.⁴ \$80,000 is deducted annually (beginning 1920) from this fund for state aid for industrial education.⁵ The remainder of the fund is then apportioned on the basis of the "number of scholars in the various cities, towns, and plantations as recorded by the state superintendent of Public schools during the preceding year."⁶ The \$80,000 deduction is used to subsidize (1) industrial education, (2) manual training in both elementary and secondary schools, and (3) Americanization and evening schools. The basis of distribution is as follows:

Every school maintaining a term of not less than 36 weeks, having an average daily attendance of 20 pupils pursuing industrial courses, and having one teacher devoting full time to industrial work is entitled to a reimbursement of two thirds of the instructor's salary (with the exception that the state limits its participation to the sum of \$2000).⁷ In manual training as in industrial training

2- Swift, F.H., Common School Finance in California, (an unpublished study) p. 43.

2a- Report of the Special Legislature Committee on Education, 1920 p. 90.

3- Fla. Digest of School Laws, 1909, p. 10.

4- Me. School Laws, 1919, sec. 155.

5- Ibid, p. 59, sec. 139.

6- Ibid, p. 65, sec. 157.

7- Ibid, p. 59, sec. 138.

the state pays two thirds of the instruvtor's salary provided this time that the instructor, the course of study, and the equipment are approved by the state superintendent and, further, provided that in the case of high schools and academies the minimum average daily attendance in each course shall be 12. The maximum aid paid for manual training is \$800.00 per instructor in elementary schools and \$750.00 in high schools and academies.⁸ Evening schools and Americanization schools are aided in like manner save that no limit to the amount each may receive is specified. For evening schools there is, however, a proviso that domestic science, commercial work, and trades subjects must be taught.⁹

Maine's second 1½ mill tax is designated as the Common School Fund¹⁰ and is used entirely to give flat aid. One third of the total receipts of this fund are distributed to the schools throughout the state on the basis of the number of scholars they enroll.¹¹ The remaining two thirds is distributed to the "various cities, towns, and plantations according to the valuation thereof".¹¹ Finally, we have a last special type of aid, the school teacher's pension. \$30,000 is annually appropriated from the "school and mill funds" for the use of the teacher's pension fund.¹² It is probable that the purpose of the lawmakers was to appropriate this sum of \$30,000 from whichever of the two school mill funds seemed best able to stand it, hence the dual source provided.

Massachusetts: Massachusetts by the following enactment di-

- 8- Ibid, pp. 57, 59, secs. 135, 136.
- 9- Ibid, p. 58, sec. 137.
- 10- Ibid, secs. 159-160.
- 11- Ibid, p. 66, sec. 161.
- 12- Ibid, p. 70, sec. 176.

verts a portion of her income tax proceeds to public schools: "The treasurer and receiver general shall, on or before the fifteenth day of November 1919, and annually thereafter set aside from the proceeds of the income tax a sum of money sufficient to provide for the purposes of Part I of this act."¹³ Part I provides state aid for public schools on a qualified teacher basis as diagrammed in Table 7.

Table 7

Mass: Distribution of State Aid for Each Full Time Teacher, Supervisor, Principal, Assistant Principal and Superintendent¹⁴

Amount of Aid	Qualification prerequisite to receipt of state aid		
	Minimum Salary	Experience	Education
\$200-	\$850-	2 years	Graduation from an approved college or normal school - or preparation and teaching experience in lieu thereof.
\$150-	750-	3 years or 1 year	1 year of professional training Graduation from an approved college or normal school
\$100-	650-	This aid based on minimum salary alone	

Schools receive aid for part time teachers on the same basis but in ratio to the length of time for which such teachers are employed.¹⁴

Part II of this act provides supplementary aid for towns receiving aid on the qualified teacher basis. The latter type of aid has also been outlined in tabular form. Table 8 presents a digest of the main points of the supplementary aid law.

13- Mass. Educational Legislation Enacted in 1919, p. 30, sec.1

14- Ibid, p. 30, secs. 3-4.

Table 8

Mass: Distribution of Supplementary State Aid on the Basis of Property Valuation per School Child in Average Daily Attendance¹⁵

Town. Valuation per child in average daily attendance	Amount of Supplementary Aid received annually from the state
under \$2000	\$300-
\$2,000 to \$2,500	250-
\$2,500 to \$3,000	200-
\$3,000 to \$3,500	150-
\$3,500 to \$4,000	100-
\$4,000 to \$4,500	50-

Nevada: Nevada provides that a tax of 5 mills on every one hundred dollars of the assessed valuation of all taxable property shall be levied to assist in the payment of the salaries of physical training instructors. The proceeds of this tax may be said to be distributed on the basis of high school enrollment, in that each high school within the state receives \$300.00 for each 100 pupils or fraction thereof.¹⁶

Although New Jersey merges her state general mill tax for schools with the current school fund she keeps the railroad tax returns distinct and separate. This latter tax which has been discussed in a previous section provides several types of aid. First, from the total proceeds of the railroad taxes we have a deduction of \$1850 to pay the salary and expenses of the state child study supervisor. Then, the appropriations for special purposes such as normal schools

15- Ibid, p. 31, sec. 6.

16- Nev. School Code, 1919, p. 154.

(mentioned in footnote 7 at the beginning of this chapter) are deducted.¹⁸ Third, the railroad tax furnishes the expenses for summer schools for teachers¹⁹. Finally, from what remains, there is deducted \$80,000 for vocational education.²⁰ This \$80,000 is used to duplicate the amounts expended by the local districts in the construction and upkeep of vocational schools. The maximum aid from this source to which any district is entitled in a single year is \$10,000.²¹

North Carolina's new state public school fund, produced by the tax of 32 cents on every \$100 valuation of taxable property within the state,²² is distributed only to schools maintaining a minimum school term of six months²³ and to schools which although they are levying a poll tax of 35 cents per each valuation of \$100 on real and personal property are unable to maintain a standard six months school.²⁴ Before the final distribution, however, the following appropriations are made from this fund:

Fixed sums²⁵

- 1- For the salary and expenses of
 - a- The Superintendent of colored normal schools \$1500-
 - b- The state board of examiners \$25000-
- 2- For rural library aid \$7500-
- 3- For teacher training \$50000-
- 4- For physical examination of school children and for free dental work \$50000-
- 5- For instruction of illiterates \$5000-

Varying sums²⁶

- 1- For vocational education.

17- N.J. School Laws, 1918, p. 210, sec. 442.
 18- Ibid, p. 189, sec. 380.
 19- Ibid, p. 204, sec. 420.
 20- Ibid, p. 201, sec. 407, p. 202, sec. 410.
 21- Ibid, p. 200, sec. 405.
 22- N. Car. New School Legislation, 1919, p. 5, sec. 1.

- 2- To pay $\frac{1}{2}$ the annual salary of county superintendents.
- 3- To pay $\frac{1}{3}$ the annual salary of all city superintendents.
- 4- To pay the salary of all teachers for 3 months.

North Dakota: North Dakota can hardly be said to have any exacting method of distributing its $\frac{1}{5}$ mill tax in as much as it provides merely that the tax shall be used to pay the state's share of the upkeep of county agricultural and training schools.²⁷

Tennessee: Tennessee distributes its tax proceeds on two bases that of flat aid and that of special aid. Tennessee has a tax of five cents on the \$100 valuation of taxable property. This tax was first levied in 1919 and is intended for "the purpose of improving the elementary schools in the state."²⁸ This special aid tax, distributed only to counties having a total state and county elementary school tax rate of 45 cents on the \$100 of taxable property,²⁹ is apportioned on the following basis: $\frac{1}{3}$ of the proceeds go to the counties according to the ratio their scholastic population bears to the total scholastic population of the state; a second third is divided equally among the 96 counties in the state; and the remainder is used as a special equalization fund for rural schools having a term of less than 140 days.²⁹ All the other state school tax returns including the proceeds of the $\frac{1}{2}$ mill elementary school tax, the state $\frac{1}{2}$ mill high school tax, and the poll tax are apportioned to the counties on the basis of scholastic population.³⁰

Utah: The Utah Laws, of 1917, Chapter 85, sec. 3 provides

23- Ibid, p. 6, sec. 5.
 24- Ibid, p. 6, sec. 6.
 25- Ibid, p. 8, sec. , 11-14.
 26- Ibid, p. 6, sec. 5.
 27- N. Dak. General School Laws, 1915-17, p. 96, sec. 1470.
 28- Tenn. Act of 1919, sec. 6.
 29- Tenn. General School Laws, 1919, p. 8.
 30- Tenn. Common School Laws, 1917, p. 58.

that "for the purpose of raising sums for the support of high schools (there shall be levied) an ad valorem tax of .2 mills on each dollar of valuation of all taxable property in the state." The income from this tax - known as the high school fund - is apportioned to high schools of the state on the basis of the attendance there³¹ in³¹ hence may hardly be said to offer encouragement for special methods or for better teaching.

Virginia: Virginia has already been discussed in this chapter, and it was pointed out that of the proceeds of the state inheritance tax $\frac{1}{2}$ went to the state to be reapportioned to public schools according to their school population and $\frac{1}{2}$ was returned to the county or district wherein it was collected there to be used for the primary and grammar grades of schools.³²

Wyoming: Wyoming stands at the bottom of the list of our 29 state school tax states in the rate (1/8 of a mill) of tax levied. The proceeds of this levy are used to provide the annual aid of \$1000 granted to every high school maintaining an accredited normal training department.³³

Summary: A review of the material presented in the above paragraphs will show that of the 13 states specifying by law as to the disposition of all or part of the state school tax proceeds, only four (Maine, Massachusetts, New Jersey, and North Carolina) actually make any specific requirements the fulfillment of which will tend to elevate the educational standards of their respective public

31- Utah School Laws, 1919, p. 928, sec.4580.
 32- Code of Virginia, 1919, p. 2219.
 33- Wyo. School Laws, 1919, p. 16, sec.40.

school systems. The other nine states may aid materially in a financial way but as long as they continue to distribute aid indiscriminately on the basis of attendance alone just so long are they likely to fail to spur on the local districts to higher standards of excellence in education. Whether or not that larger group of states, which merges the state school tax with other revenues of the current school fund, succeeds any better in stimulating higher educational standards we cannot state for the question of the effects of the uses of the state current school fund lies outside the scope of this study. However, since as a general rule current funds seem to be distributed on much the same per capita basis as are these school taxes just studied it is probable that conditions in states coming within this category are quite similar to conditions in the major part of the group of thirteen states discussed.

Income Produced by State School Taxes

The types of taxes devoted to public school purposes having been presented, and analyzed as far as may be, we are now prepared to turn to the last phase of state taxation for public schools, namely, the income accruing to the various states from their state school taxes. It requires no lengthy explanation to show that the receipts from the state school tax may do untold good or an equal amount of harm depending upon how they are utilized. A mere glance at the incomes listed in Table 9 as accruing from state school taxes will suffice to show that unless due caution and forethought is exercised in the distribution of these moneys we may produce conditions like those in Alabama. Here according to Swift³⁴ many districts derive almost their entire support from state funds and make no effort to, by

34- Swift Common School Finance in Alabama. Educational Administration and Supervision, Sept. and Oct. 1919.

their own initiative, better their schools. Probably the prime reason for this is that the state distributes its moneys freely exacting no qualifications for participation therein.

However, this study will not attempt to show what each state should do or is doing with every cent of the moneys it receives for schools. The promulgation of a tentative plan for raising funds for state school support will be reserved for a later chapter. We shall here limit ourselves to an attempt to show the importance of the state school tax as a source of state revenue for public schools according to the latest available sources of information. Since most of this data is for 1919 it will be evident that it is far from an adequate measure of the present situation. Deeming the tabular method to be the clearest mode of presentation of numerical facts we have arranged our findings as shown in Table 9.

TABLE 9.

STATE SCHOOL TAXES IN RELATION

STATE	A TOTAL SCHOOL RECEIPTS IN STATE; all sources, state, local county	B TOTAL RECEIPTS FROM ALL STATE SOURCES ONLY	% of A	MILL TAXES	% of B
Ala.	\$5,966,296 ¹	\$3,113,322 ²	52.1	\$2,248,798 ³	72.3
Ariz.	4,795,716 ⁴	905,508 ⁵	19.0	660,174 ⁶	73.3
Ark.	7,417,071 ⁷	1,608,166 ⁸	21.7		
Calif.	33,793,860 ⁷⁵	7,150,186 ⁷⁶	21.5		
Del.	1,202,361 ¹⁰	272,956 ¹⁰	22.7		
Fla. ¹²	7,934,671	413,233	5.2	341,986	82.8
Ga.	9,270,135 ¹³	3,480,885 ¹⁴	38.8	(16)	
Ind.	18,698,003 ¹⁷	3,972,890 ¹⁸	21.2	2,914,700 ¹⁹	75.0
Ky.	8,628,476 ²¹	3,461,011 ²²	46.5	3,315,000 ²³	95.9
La.	8,838,458 ²⁴	1,737,500 ²⁵	19.6	1,600,000 ²⁶	95.9
Me.	4,551,579 ²⁸	2,100,249 ²⁹	46.1	1,564,209 ³⁰	74.5
Mass.	31,487,243 ⁷⁸	3,382,520 ⁷⁹	10.5		
Minn.	32,339,906 ³¹	5,756,113 ³²	17.8	1,443,591 ³³	25.1
Nev.	958,637 ³⁴	390,725 ³⁵	40.7	279,616 ³⁶	71.6
N.H.	3,248,708 ³⁷	127,583 ³⁷	3.9		
N.J.	26,472,871 ³⁹	11,226,517 ³⁹	42.3	7,315,024 ⁴⁰	65.4
N.Mex.	2,709,910 ⁴²	645,516 ⁴³	23.8	586,738 ⁴⁴	90.8
N.Car.	7,987,995 ⁸¹	829,802 ⁸²	10.4		
N.Dak.	12,050,257 ⁴⁶	1,323,907 ⁴⁶	10.9		
Ohio	82,721,446 ⁴⁷	3,313,187 ⁴⁸	4.0	527,885 ⁴⁹	15.9
Tenn.	9,494,774 ⁵⁰	3,882,453 ⁵¹	40.8		
Texas	31,715,622 ⁵²	10,024,806 ⁵³	31.5		
Utah	6,099,847 ⁵⁵	2,110,644 ⁵⁶	34.5	1,754,180 ⁵⁷	82.9

TO STATE SCHOOL SUPPORT

STATE SCHOOL TAXES C

STATE POLL TAXES	% of B	MISCELLANEOUS TAXES	% of B	MISCELLANEOUS DEFINED
		\$1,283,556 ⁹	79.5	poll and school tax
		1,220,065 ⁷⁷	17.1	corp. & inheritance tax
		250,000 ¹¹	91.5	income tax
				show tax
\$303,640 ¹⁵	8.6	15,304 ¹⁵	.4	show tax
232,244 ²⁰	5.7	101,000 ^{20a}	2.5	vocational education tax
		122,546 ²⁷	7.0	inheritance tax
		274,509 ³⁰	13.1	bank tax
		3,062,643 ⁸⁰	90.9	income tax
		43,832 ³⁸	34.3	non-resident bank tax
		3,152,073 ⁴¹	28.1	railroad tax
		15,000 ⁴⁵	23.0	vocational education fund
43,202 ⁸³	5.2			agr. & training school
		probably negligible		
438,484 ⁵⁰	11.2			
		3,532,606 ⁵⁴	35.2	available school fund
		145,856 ⁵⁷	6.9	state H.S. Tax.

Vt.	2,318,568 ⁵⁸	477,327 ⁵⁹	20.5	252,335 ⁶⁰	52.8
Va.	9,793,060 ⁶¹	2,605,378 ⁶¹	26.6	1,816,000 ⁶²	70.0
Wash.	20,414,496 ⁶⁵	3,131,422 ⁶⁶	15.3	263,732 ⁶⁷	8.4
W.Va.	7,558,208 ⁶⁸	1,207,087 ⁶⁹	16.0		
Wis.	27,902,909 ⁷¹	2,956,276 ⁷¹	10.6	2,325,229 ⁷²	78.3
Wyo.	2,818,045 ⁷³	366,346 ⁷⁴	13.2		

- 1- Swift, F.H., Common School Finance in Alabama, p. 306, footnote e.
- 2- Ibid, calculated from material p. 310 plus appropriations.
- 3- Ibid, p. 310
- 4- Ariz. Supt. of Public Instruction Report, 1918, p. 80.
- 5- Ariz. Auditor's Report, 1919, p.28.
- 6- Ibid, p. 17. State expenditures are rapidly increasing. In 1915 receipts from taxes were \$493,685 and total receipts were \$614,786 - Treasurer's Report, 1916, p.3, 16. In 1920 state school tax receipts were \$826,779 and total school fund appropriations were \$1,064,043. Auditor's Report, 1920, pp. 15, 27.
- 7- U.S. Bureau of Education Bulletin, 1920, No. 11 p. 129, total of col. 9 and 10. No state reports available.
- 8- Ibid, col. 6.
- 9- Ark. Treasurer's Report, 1916, p. 26. Bureau of Education leaves receipts from state taxes blank.
- 10- Del. Annual Reports, 1917-19, p. 88.
- 11- Del. Auditor's Report, 1919, p. 42.
- 12- Fla. Supt. of Public Instruction Report, 1918, p. 26. Report in Laws, 1919 pp. 394, 395, says 1918 school tax netted only \$305,180.94. 1917 mill fund receipts and balance totaled \$1,376,759. Treasurer's Report, 1917, p. 41.
- 13- Ga. Dept. of Education, Report, 1919, p. 482.
- 14- Ibid, computed for 1919 as \$3,500,000 by Comptroller General in his report for 1918, p. 8.
- 15- Comptroller General's Report, 1918, p. 8.
- 16- Ibid, p. 16 cites general property tax as one of school fund sources and p18 says that in 1919 \$2,968,267.47 would accrue to the school fund from that source.
- 17- Computed from data in Ind. Dept. of Public Instruction Report, 1918, p.66 and Ibid, 1919, p.11.
- 18- U.S. Bureau of Education Bulletin, 1920, No.11, p. 129, col.6.
- 19- Ind. Auditor's Report, 1916, pp. 39 and 45 totaled. No direct

457,475⁶³ 17.6 106,249⁶⁴ 6.5 inheritance tax

258,350⁷⁰ 21.3

statement made as to 1918-19 receipts. However, Deficiency School Fund (8.2% of school tax) was \$161,168.99 - Dept. of Public Instruction Report, 1919, p. 31. - Computed on this basis tax receipts in 1918-19 would have been only \$1,977,670

- 20- Indiana, Auditor's Report, 1916, p.36-theoretical receipts.
- 21- Computed. Income in 1916 was \$201,505.17 - Auditor's Report 1916, pp.39,45; but tax rate has been cut since then - School Law Supplement, 1919, p.47. Total cost to state in 1918-19 was only \$69,512.65- Dept. of Pub. Instruction Report, 1919, p. 27.
- 22- Ky. Supt. of Public Instruction Report, 1919, p. xvi.
- 22- Ibid, p.xvi Expenditures 1919-20, \$4,013,725.06 - Ibid, p. xvii - This is only slightly higher than the school fund receipts. 1914-15 which were \$4,011,609.55 - Auditor's Report, 1914-15, pp. 164-165
- 23- Estimated. School Fund consists of
 - A- Interest on:
 - a- Bond of Commonwealth for \$1,327,000 at 6%.
 - b- Surplus \$381,986.08 due the counties at 6%.
 - c- \$606,641.03 received from U.S. at 6%.
 - d- 798 shares (value \$79,800) capital stock in the Bank of Kentucky.
 - B- The Annual Tax.
 - C- Such portion of fines, forfeitures, licenses, etc., as amount of the school, ^{taxes} bear to the whole state tax. Kentucky school Laws, 1918, p. 8 sec. 9. Taking the 1918-19 receipts as \$3,461,011 and deducting the 6% interest on the various credit funds we get \$3,317,286 remaining as proceeds of tax and misc. collections.
- 24- Bureau of Education op. cit. col. 9 and 10.
- 25- La. Supt. of Pub. Instruction, Circular No. 653, par.5, in Public School Laws, 1919, p.5.
- 26- Ibid, par. 1 and 4, totaled.
- 27- La. Auditor's Report, 1910-15, p. 40
- 28- Me. State Supt. of Pub. Instruction Report, 1918, App. p.254.
- 29- Me. Auditor's Report, 1918, p. 139.

- 30- Me. Treasurer's Report, 1918, pp. 28-29.
- 31- Minn. Dept. of Education, Twentieth Biennial Report, 1917-18, p. 195.
- 32- Ibid, p.67.
- 33- Minn. Treasurer's Report, 1918, p. 25.
Auditor's Report, 1918, p. 115.
- 34- Bureau of Education op. cit. p. 130, col. 9 and 10.
- 35- Nev. Comptroller's Report, 1918, p. 18.
- 36- Estimated. State Distributive School Fund is made up of interest on permanent fund, state school tax proceeds, and one-half the surplus from the library fund. - Revenue Laws, sec. 3952 - Deducting the permanent fund income, \$111,108, Comptroller's Report, 1918, p. 10 - from total receipts of the Distributive Fund we get \$279,616 as the tax proceeds.
- 37- N.H. Supt. of Public Instruction Report, 1918, p. 218. Total expenditures in 1919 were \$199,104 - computed from Treasurer Report 1919, pp. 14, 84.
- 38- N.H. Treasurer's Report, 1919, p. 14.
- 39- Total compiled from figures contained in New Jersey School Report, 1918, pp. 146,148.
- 40- New Jersey School Report, 1918, p. 147 - Treasurer's Report, 1918, p. 109 gives state school tax income as \$7,942,323.68
- 41- N.J. Treasurer's Report, 1918, p. 112.
- 42- N. Mex. Supt. of Public Instruction Report, 1918, p. 22. Receipts 1920 were \$2,909,016.55 - Dept. of Public Instruction report, 1920, p. 29.
- 43- N. Mex. Auditor's Report, 1918, pp. 39,73. State share amounted to \$665,907,74 in 1920. Dept. of Public Instruction Report, 1920, p. 40.
- 44- Ibid, p. 36.
- 45- Ibid, p. 39.
- 46- N. Dak. Supt. of Pub. Instruction Report, 1918, p. 82.
- 47- Ohio Supt. of Pub. Instruction Report, 1918, pp. 88, 91. \$27,701,766 of this was balance from preceeding year.
- 48- Ibid, p. 88.
- 49- Ohio Tax Commission Report, 1919, p. 150.
- 50- Computed by adding total receipts of city elementarys and high schools and county elementary and high schools. Tenn. Supt. of Pub. Instruction Report, 1918, pp. 26-27.
- 51- Computed. Data obtained from Tenn. Comptroller's Report, 1917-18, p. 11 and Treasurer's Report, 1917-18, p. 152.
- 52- U.S. Bureau of Education Bulletin, op. cit. p. 30, col. 9 and 10
Tex. Supt. of Public Instruction Report, 1916-18, p. 603 gives \$22,814,086.
- 53- Tex. Supt. of Pub. Instruction, op. cit. for maintenance.
- 54- Tex. Treasurer's Report, 1918, p. 7.

- 55- Utah, Supt. of Pub. Instruction Report, 1918, Supp. p.44.
- 56- Utah Treasurer's Report, 1918, pp. 27, 28 totaled.
- 57- Ibid, p. 27.
- 58- Vt. Board of Education Report, 1918, p. 55.
- 59- Computed.
- 60- Vt. Board of Education Report, 1918, pl 27.
- 61- Computed. Va. Supt. of Pub. Instruction Report, 1918, pp.62-64.
Total given p. 64 of report is incorrect because it includes Literary Fund. Principal expended for bonds, reformatory aids, etc. - Total tax in 1916 was only \$1, 908, 531 - Auditor's Report, 1916-17, pp. 145,146.
- 62- Ibid, p. 62.
- 63- Va. Auditor's Report, 1916-17, pp. 145-146.
- 64- Ibid, p. 35.
- 65- Wash. Supt. of Pub. Instruction Report, 1918, p. 207, Table G
Only \$16,114,722 of this was spent.
- 66- Ibid, computed by adding state apportionment and permanent fund interest.
- 67- Wash. Treasurer's Report, 1916-18, p. 39.
- 68- W.Va. State Supt. of Schools Report, 1918, p. 74.
- 69- Computed from 1918 receipts plus balance from 1917. W.Va. State Supt. of Schools Report, 1918, p. 84. W.Va. Auditor's Report 1917-18, p.99.
- 70- W.Va. State Supt. of Schools Report, 1918, p. 84.
- 71- Computed from tabular data on counties and cities, Wisconsin State Dept. of Education Report, 1916-18, pp. 174,176.
- 72- Wis. Treasurer's Report, 1917-18, p. 64.
- 73- Wyo. Board of Education Report, 1918, p. 91.
- 74- Computed - Wyo. Board of Education Report, 1918, p. 25 gives 1918 cost per pupil as \$82.06 and says that state paid only \$10.85 of this. It is upon this basis that the amount paid by the state is computed.
- 75- Swift, F.H? Common School Finance in California (an unpublished study) Table I.
- 76- Ibid, Table II.
- 77- Ibid, p. 48 for corporation taxes. Calif. School Laws, 1919, p. 349 for \$250,000 from inheritance taxes.
- 78- Mass. Dept of Education Report, 1919, p. 139.
- 79- Ibid, p. 38.
- 80- Ibid, p. 187. Since the total given on p. 38 is \$109, 330.70

greater than the sum of the income tax distributed on a qualified teacher basis and the school fund income, it is possible that the difference was appropriated from the income tax proceeds as provided by law. In such a case the income tax here listed would be greater by that amount.

81- N. Car. Supt. of Public Instruction Report, 1916-18, p.7.

82- Ibid, pt. II, p. 145 (Mill tax was not yet in use)

83- N. Car. Treasurer's Report, 1917-18, pl 19.

There is no need for a detailed analysis of Table 9 for from the table itself it can be readily seen just how important each tax is in its relation to the state school moneys. It will be sufficient here to point out that: As might be expected general mill taxes are the most productive tax-sources of revenue. The close connection between the state tax and the state share in the expenses of schools is evidenced by the fact that (when all types of taxes are totaled) 17 of our 29 states derive considerably more than 50 percent of the money spent for state support of schools from the proceeds of school taxes.

Chapter IV

Appropriations as Sources of State School Support

Purpose of the Chapter As a source of moneys for the state support of public schools appropriations are especially important in the relation which they bear to the problem of taxation and its increase or decrease. We shall limit our discussion to what may be called general fund appropriations because appropriations are in most cases made either from the general fund or from the proceeds of certain taxes and as such have already been discussed. Preliminary to fuller consideration of appropriations and in order to better prepare us for a thorough understanding of the appropriation problem it seems advisable to consider briefly some of the advantages and disadvantages of appropriations.

Advantages: Appropriations when not made entirely from tax proceeds tend to reduce the tax burden i. e. where general funds are largely derived from sources other than direct taxation appropriations from the general state fund may be increased without increasing the tax rate. Second, appropriations are but temporary matters, They are ordinarily made for a year at a time and, consequently, may be varied to suit the exigencies of the occasion. Third, before a customary annual appropriation can be radically increased, decreased, or otherwise altered it is necessary that the people or their representatives, the legislators, be educated up to the point of demanding and making that change. Thus education must be kept before the public eye. Again, with a people inclined to be penurious a state school appropriation made from the general fund tends to conceal the actual tax burden imposed for the maintenance of schools. Moreover, a legislature may be induced to increase the size of an appropriation because they feel that such action does not set a pre-

cedent, that ^{it} is a matter of temporary expediency, and that the combination of circumstances giving rise to the demand for increased revenues for state public school support will soon be altered. Finally, an appropriation may be made large enough to cover estimated needs for a period in advance, whereas as has already been pointed out taxes are the revenues accruing ~~from~~ years past yet of necessity devoted to present usages. It will be seen that this latter consideration likewise includes the important fact that appropriation proceeds can be made immediately available.

Disadvantages: The advantages of the appropriation method of state financing having been cited we may now consider the opposite side of the question, namely, the disadvantages. First, when legislative action in the form of appropriations, determines what sum of money shall be available for purposes of state educational support and subsidy, a great deal is left to chance, and to the educational ideas of the legislators. Legislators like to drive sharp bargains just as do other people; thus the public school may unwittingly become a political plaything through the system of legislative barter and trade now commonly practised. Second, appropriations like taxes may be a year behind. In such a contingency the amount likely to be appropriated can rarely be estimated. Hence, a serious obstacle is placed in the path of those interested in the formation of a sound plan of state aid. Third, the continuing appropriation avoids many of the afore mentioned evils, but, since it is static, is subject to other drawbacks no less great because they chance to be opposite in character.

Appropriations as made by Various States

A statement of the chief advantages of and objections to the appropriation method of providing for state school support having

been made we may now turn to the chief purpose of the present chapter, a study of the actual appropriations made in the 29 state school tax states, the purposes for which these appropriations are made, and the amount of money appropriated in each case.

Classes of Appropriations: All of the states included in the present study make appropriations for some purpose or other. These appropriations are for everything from summer schools in Maine and high school cadet corps uniforms in Wyoming to classes for exceptional children in Wisconsin. The amounts appropriated range from \$19,000 in Wyoming¹ to \$5,749,026 in California² with the approximate median at \$239,000 in West Virginia.³ Certain types of appropriations are more important than are others and, were we studying the problem of state school support from the side of the appropriation instead from the side of taxation, would demand careful and detailed study at this point. It will be sufficient for the purposes of this study to obtain a comprehensive if general view of the nature and amounts of the appropriations made by each of the 29 states included in this study. Such a general survey may best be given by the tabular method. Hence, we have in Table 10 compiled a list of all appropriations for educational purposes made from the general state funds in state school tax states. We have in Table 10 in so far as possible, made use of data for 1919 only, because figures for later years are available only in a few scattered instances.

1- See Table 10.

2- Swift, F.H. Common School Finance in California, an unpublished study, pp. 35-68.

3- W.Va. Acts, 1919, p. 32, chap. 1, sec. 76.

TABLE 10.

APPROPRIATIONS MADE FROM STATE GENERAL FUND AND DEVOTED TO PUBLIC
SCHOOL PURPOSES

STATE	APPROPRIATIONS	TOTAL APPROPRIATIONS.
Ala.	To pay interest on permanent funds ¹	\$167,796 ²
	Bonuses of \$1000 to \$3000 to counties levying tax ¹	182,000 ³
	Rural school buildings	134,000
	County library--rural school aid ¹	6,700
	County high schools, \$3000 each ¹	201,000 ⁶
	Teacher's institutes ¹	6,500
	Annual legislative appropriation ¹ (bal)	161,500 ⁴
	Dept. of Education contingent fund ⁵	3,000
		\$862,498
Ariz.	Common school fund ⁷	125,000
	Vocational education board ⁸	7,100
		132,100
Ark.	State high school aid ⁹	40,000
	State high school normal training aid ⁹	10,000
	State vocational education fund ¹⁰	25,000
	Four district agricultural schools ¹⁰	480,000
		555,000
Cal.	^{10 1/2}	
	Child hygiene	10,000.00
	Board of Education	298,748.35
	High school cadet corps	15,000.000
	Physical education	15,000.00
	School book fund	150,000.00
	Supt. of Pub. Instruction	28,996.16
	State school fund (\$15.00 per child in the elemen-	

	tary schools)	5,224,560.00	
	Vocational education	16,721.00	5,749,026.
Del. ¹¹	Interest on bonds of school fund	10,727.10	
	Elementary school aid	50,000.00	
	High school aid	64,400.00	
	Consolidation aid	10,000.00	
	Americanization	15,000.00	
	County Supts. salaries and expenses	16,530.00	
	Teacher's summer school	15,000.00	
	Vocational education	20,000.00	
	Dept. of Education	11,250.00	202,907.10 ¹²
Fla.	High school teacher training dept. ¹³	50,000	
	Vocational education ¹⁴	35,000	85,000.00
Ga. ¹⁵	Consolidation - from railroad lease ¹⁶	100,000	
	State Supt. Dept. ¹⁷	18,000	
	Vocational education ¹⁸	3,200	121,200 ¹⁹
Ind.	Dept. of education and state supt. ²⁰	29,902.35	
	High school inspector ²¹	2,500.00	32,402.35
Ky. ²²	Inspection and supervision	22,988	
	Vocational education	2,500	25,488.00
La. ²³	To current school fund from gen. fund	47,500	
	To current school fund from rural propress fund	40,000	87,500.00
Me. ²⁵	Academy aid	26,000	
	Academy special aid	34,650	
	Equalization fund- secondary schools	50,000	

Free high schools	160,000	
Industrial education	75,000	
Physical education ²⁴	15,000	
School Superintendence	145,000	
Special secondary education aid	40,000	
Summer schools	3,500	
Superintendents of public instruction	31,740	
Vocational education	<u>15,000</u>	
Schooling of children in unorganized territory		595,890
Appropriated by law from state school funds, but legislature seems to have appropriated it from the general fund	35,000	630,890.00

(25 1/2)

Mass. To permanent school fund 100,000.00

Minn.²⁶

Agricultural department		
Commercial department		
Teacher training department		
Library department		
Flat aid to high schools, graded schools and rural schools		
Associated rural school, central school having an associated rural school		
Rural school classes A and B		
Consolidated school		
Graded school, High school sprop. for 1920	3,175,210	
1919 Balance		186,575.32 ²⁷
		tot. 3,361,785.32

Nev. Supt. of public instruction ²⁸	35,000	
Vocational education ²⁹	53,000	88,000.00

N.H. Appropriation for literary fund³⁰ 273,400

Appropriation for misc. purposes ³¹	162,100	
Supts. in supervisory unions	31,953	467,453 ³²
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N.J. Abatement of school tax ³³	100,000	
Agriculture ³⁴	1,000	
Evening schools ³⁵	15,000	
Free schools ³⁶	100,000	
School library aid ³⁷	7,000	
State dept. of education ³⁸	112,290	
State ind. education aid ³⁹	375,044.32	
Agricultural supervision and teacher training ³⁷	131,000	(40) 723,334.32
<hr/>		
N.Mex.		
Child welfare ⁴¹	6,000	
Supt. of public instruction ⁴²	31,010	
Vocational education ⁴³	20,688.68	57,698.68
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N.Car.		
Vocational education ^{43a-}	3,000	
To farm life schools ^{43b-}	2,500	
Rural school extension with movies ^{43c}	25,000	30,500.00
<hr/>		
N.Dak.		
Consolidated schools ⁴⁴	60,000	
Evening schools ⁴⁴	7,000	
Graded schools ⁴⁴	12,500	
High schools ^{44a}	170,000	
High schools inspector ⁴⁵	1,200	
Rural schools ⁴⁴	40,000	
Rural schools inspector ⁴⁶	3,296.64	
Supt. of instruction ⁴⁶	20,618.49	

Vocational education ⁴⁷	12,000	351,615.13
<hr/>		
Ohio Common schools ⁴⁸	2,735,000	.
Dept. of public instruction ⁴⁹	355,170	
Supts. salaries, model schools, etc. ⁴⁹	344,000	
Suspended schools ⁵⁰	25,000	
Vocational education ⁵¹	152,428.90	
Weak schools ⁵²	600,000	4,211,598.90 ⁽⁵³⁾
<hr/>		
Tenn. 33 1/3% of state gross revenue yearly paid into General Education Fund Divided thus:		
61% of this to elementary schools		
15% " " " high " "		
16% " " " normal " "		
5% " " " supervision aid		
2% " " " vocational training		
1% " " " library extension		1,444,734 ⁵⁴
<hr/>		
Tex. Dept. of education ⁵⁵	77,350	
Rural school aid ⁵⁶	2,000,000	
Vocation education ⁵⁷	120,000	3,197,350
<hr/>		
Utah. Aid for indigent districts ⁵⁸	20,000	
Aid for night schools ⁵⁹	20,000	
Aid for vocational education ⁶⁰	50,000	
State Board of Education ⁶¹	2,300	92,300
<hr/>		
Vt. None, all expenditures from consolidated school fund.		
<hr/>		
Va. ⁶² Agricultural high schools	45,000	
Public free schools maintenance	1,532,850	

Public high schools maintenance	200,000.00	
Public school libraries	3,000.00	
State Board of Education	8,700.00	
Vocational education	76,730.86	1,866,280.86

Wash.⁶³

Board of Education, state supt. etc.	24,080	
High school supervision	3,750	
Industrial and agricultural work	5,000	
Rural school extension	3,000	35,830

W.Va. Appropriations go to General School

Fund, and upon being combined therewith
become indistinguishable.⁶⁴Amount approximately (1920)⁶⁵ 239,000

Wis. State aid for:

Agriculture ⁶⁶	25,000	
Classes for exceptional children ⁶⁷	3,500	
Consolidated schools ⁶⁸	10,000	
Free high schools ⁶⁹	175,000	
Graded schools and junior high schools ⁶⁹	200,000	
High school manual training ⁷⁰	99,994.32	
High school teacher training courses ⁷⁰	25,000	
Rural schools ⁷¹	15,000	
State superintendents department ⁷⁰	86,273.12	
Vocational education board ⁷²	230,000	
Winter terms in high schools ⁷³	2,500	855,774.77

Wyo. Commissioner of education⁷⁴ 13,000High school cadet corps, uniforms⁷⁵ 5,000

Vocational training ⁷⁶	1,000	19,000
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FOOTNOTES TO TABLE?..

- 1- Swift, F.H.; Common School Finance in Alabama, p.312.
- 2- Ibid., p.316.
- 3- Compiled. Ibid., p.321.
- 4- Ibid., p.313, footnote 11, c.
- 5- Ibid., p.368.
- 6- Ibid., p.370, 14; also footnote 19, e.
- 7- Ariz. Session Laws, 1919, p.372; Schools Laws, 1919, p.61, sec. 2794 gives high school aid as one of the beneficiaries.
- 8- Ariz. Session Laws, 1919, p.357. Superintendent of Public Instruction (1918) pp.14, 15 gives state vocational education aid from General Fund as \$56,715.25.
- 9- Ark. Digest of School Laws, 1920, p.211, sec. 10.
- 10- Ibid., p.217, sec. 7; Acts 1919, p.72.
- 10 1/2- Swift, F.H.; An unpublished study "Common School Finance in California", pp.35,49,51,55,68.
- 11- Del. Laws, 1919 Chap. 35, p.92, and excerpts Chap. 33, p.71. Del. School Code, 1919, p.91, sec.209.
- 12- Del. Annual Reports, 1917-19, p.129, sec.23 gives total for 1918 as \$302,319.73. This includes normal school and other not strictly common school expenses. Laws, 1920, p.11 give appropriation for 1920 as \$540,000.
- 13- Fla. Pamphlet Law, 1917-19, p.3.
- 14- Ibid., p.16, sec, 9.
- 15- Beginning in 1922, 50% of the state gross revenue goes to education. Ga. School Code, 1919, p.23.
- 16- Ibid., p.33, sec.92, b, (Western and Atlantic R.R.leased for \$420,012 per year. Treasurer's Report, 1915, p.XXX.
- 17- Ga. Laws, 1918, p. 28.
- 18- Ibid., p.29; School Code, 1919, p.60, sec. 180; Comptroller's Report, 1918, p.8.
- 19- Ga. Comptroller General's Report, 1918, p. 150 gives 1918 state educational appropriations as \$3,200,000. This probably includes the state licenses and taxes paid into the treasury for public schools. Ga. Laws, 1918, p.28 give common school appropriation as \$3,500,000, all sources included.
- 20- Ind. Acts, 1920, p.879. Auditor's Report, 1916, p.14 gives 1916 expenses as \$27,104.
- 21- Ind. School Laws, 1917, p.101, secs. 148-9.

- 22- Ky. School Laws, 1918, p. 12, secs. 17, a, c. There are no appropriations mentioned in the appropriation act of 1920.
- 23- La. Supt. of Pub. Instruction, circular No. 653, p. 5, par. 2, 3 in La. Public School Laws, 1919.
- 24- Me. School Laws, 1919, p. 75.
- 25- Me. Laws, 1919, p. 489. Industrial education aid to be \$20,000 beginning 1920. Industrial education aid to come from school and mill fund beginning 1920. Secondary school equalization fund authorized at \$40,000 instead of \$50,000. School Laws, 1919, pp.59, 76, 83, 84.
- 25 1/2- \$100,000 per year to be appropriated from state general fund until permanent fund valuation reaches \$5,000,000. (Mass. Revised Laws 1902, Vo. 1, p. 464, sec. 4.)
- 26- Kelley, F.E., History of Public School Support in Minnesota, p.24, also Chap. V.
- 27- Minn. Report of the State Board of Education upon the Revision of State Aid, p. 31.
- 28- Nev. School Code, 1919, p.173, sec. 9. Statutes, 1919, p.153.
- 29- Nev. Statutes, 1919, p. 133.
- 30- N.H. Act. of 1919, sec. 33.
- 31- Ibid., sec. 30.
- 32- This is quite an increase for the 1919 appropriation was only \$143,200. (N.H. laws, 1917, Chap. 231), and the 1918 expenditures were only \$121,677.08 (N.H. Supt. of Pub. Instr. Reports, 1918, p.70.)
- 33- N.J. Acts, 1919, Chap.261, p.664.
- 34- N.J. School Laws, p. 203, sec. 416.
- 35- N.J. Acts, 1919, p. 642. (School Report, 1918 says this is deducted from the railroad tax.)
- 36- N.J. School Laws, 1918, p. 126, sec. 251.
- 37- Ibid., p. 147, sec. 292; School Report, 1918, p. 146.
- 38- N.J. Acts, 1919, Chap. 261, pp. 631, 657, 699.
- 39- Ibid., p. 643.
- 40- Total expenditure for schools from General Fund were only \$411,998.75 in 1915, N.J. Treasurer's Report, 1915, pp.25, 35, 63.
- 41- N.Mex. School Laws, 1919, p. 14.
- 42- N.Mex. Session Laws, 1919, Chap. 161, p. 335.
- 43- Ibid., p. 339.
- 43a- N.Car. Public School Laws, 1919, p. 58, sec. 5587. Prior to 1919 there was no state school tax so appropriations for 1918, totaled \$860,351.31. Treasurer's Report, 1917-18, pp. 20, 21.
- 43b- Ibid., p. 61, sec. 5599. (This comes from general fund only in

- case state public school fund is too small))
- 43c- Ibid., pp. 66, 67, secs. 5629, 5632.
 - 44- N.Dak. 1917 Legislation, p. 4, bound with General School Laws, 1917. (a) State high school appropriation was only \$85,000 in 1918. General School Laws, 1917, p. 84.
 - 45- N.Dak. General School Laws, 1917, p. 84, sec. 1433.
 - 46- N.Dak. Treasurer's Report, 1918, pp. 9, 10. Since N. Dak. has not done away with rural school inspectors and a state superintendent we presume that they will cost at least as much for 1919 as for 1918, the 1919 figures not being available.
 - 47- N.Dak. General School Laws, 1919, p. 151 secs. 7.8.
 - 48- Ohio Acts, 1919, p. 780.
 - 49- Ibid., p. 773.
 - 50- Ohio Advance Sheets of School Laws, 1919, p. 19, secs. 3.
 - 51- Ohio Acts, 1919, p. 756.
 - 52- Ibid., p. 781.
 - 53- 1918-19 total was only \$4,099,874.50. It is difficult to tell whether or not the entire sum came from the General Fund, for the appropriation law says " appropriations for which specific funds in the state treasury are provided by law are hereby made from such specific funds in so far as such funds are subject by law to appropriation and expenditure for the purposes mentioned." The balance comes from the General Revenue Fund. (Acts, 1917, p. 187.)
 - 54- Tenn. Comptroller's Report, 1917-18, pp. 194, 196.
 - 55- Texas General Laws, First and Second Called Session, 1919, p.447
 - 56- General Texas School Laws, 1920, p. 21, sec. 42; Regular Session of 1919, p. 105. Rural school aid in 1918 was only \$1,000,000 while the various items under vocational educational totaled \$91,105. Texas General Laws, 1919, p. 135; Texas Public School Laws, 1917, p. 96.
 - 57- Texas General Laws, Regular Session, 1919, p. 179.
 - 58- Utah School Laws, 1919, p. 926, sec. 4568. (This aid amounted to only \$10,000 in 1920)
 - 59- Utah Session Laws, 1919 pp. 19, 20, 21.
 - 60- Ibid., p. 12, sec. 8.
 - 61- Utah Laws, 1917, Chap. 231, pp. 440, 445.
 - 62- Va. Acts, 1920, Chap. 143, pp. 137-139. 1918-19 expenditures were much lower:

Agriculture, domestic science, etc.	\$23, 652.37
Public Free Schools	653,900.00
High School Aid	100,000
Normal training in high schools	10,000

Vocational education

48,017.50

Total

\$ 835,569.87

Va. Supt. of Public Instruction Report, 1918, p.44; Acts 1920, p. 884.

- 63- Wash. Session Laws, 1917, Chap. 171. (Appropriations were made for the biennium so I have divided by two.)
- 64- W.Va. Acts, 1908, Chap. 27, sec. 40.
- 65- W.VA. Acts, 1919, Chap. 1, sec. 76, p. 32.
- 66- Wis. School Law, 1919, p. 193, sec. 20.335
- 67- Wis. Laws, 1919, Chap. 636.
- 68- Wis. School Laws, 1919, p. 187, sec. 20.26.
- 69- Wis. Laws, 1919, Chap. 602; Treasurer's Report, 1917-18, p.11.
- 70- Treasurer's Report, 1917-18, pp. 13, 59.
- 71- Wis. Laws, 1919, Chap. 622.
- 72- Wis. School Law, 1919, p. 192, sec. 20.33.
- 73- Ibid., p. 189, sec. 20, 28.
- 74- Wyo. School Laws, 1917, p. 12, sec.40.
- 75- Wyo. Public School Laws, 1919, sec. 61.
- 76- Ibid., sec. 46.

General Trend of Appropriations for Schools: We shall make no attempt to analyze state by state the data presented in the preceding table. We will confine ourselves to pointing out certain general characteristics. Practically all of the states make appropriations for vocational education; they must do so in order to share in the federal moneys disbursed under the Smith-Hughes Act. The minimum sum in the 20 states reporting state appropriations for vocational education is \$1000 (Wyoming)⁴, the maximum is \$375,000 (New Jersey)⁴. New Mexico with her annual vocational education appropriation of \$20,688 occupies the median rank.⁴

Second, many of the states appropriate money for high schools and for elementary schools in amounts ranging from \$6,750 in Washington⁴ to \$3,360,000 in Ohio⁴. This does not signify that all of the states so doing are educationally in advance of their sister states who make no such appropriations, but rather indicates that the other states finance public schools by means of a direct school tax. A comparison of this table 10 with table 9.. shows that the states contributing most by the direct tax method contribute less through appropriations. Lastly, we have exemplified in this list of appropriations the developmental trend of educational legislation. The time honored subjects are still given their dues; but new projects are creeping in. For instance, child hygiene and Americanization work are both subsidized to a limited extent by appropriations in certain states. One state (Wyoming) provides uniforms for high school cadets. Another (Wisconsin) appropriates money for the support of classes for exceptional children, and a third (North Carolina) goes so far as to provide for rural school extension work with the aid of moving pictures.

4- See Table 10

Sources of State General Fund Revenues

We have considered briefly the educational purposes for which sums are appropriated from general state funds. We have also made reference to the specific amounts appropriated. Consequently, it may be well at this point to seek the original source of the moneys which have been thus appropriated. It is important that we know what these general sources are. The need for this information is best illustrated by reference back to Table 10. An examination of Table 10, showing as it does the enormous appropriations made by such states as Texas and California, might lead the ordinary individual to believe that here lies the solution of the problem of increasing state public school support without resorting to taxation. But let him stop to consider. How is the appropriation related to the tax; have the two anything in common; are they interrelated and interdependent; and quite likely his attitude will change.

In order that we might better discover for ourselves the answers to these questions we have taken a group of 5 states from our list of 29 and analyzed the sources of the state general fund in a search for contributory taxes.

California: The first state chosen for investigation was California, which contributes more to public schools from the coffers of the state than does any other state in the union. Here we find a close correlation between appropriations and taxes, for, in 1918 72 per cent of California's general fund revenue came from corporation taxes.⁵

Georgia: Georgia next drew our attention with the provision that beginning with 1922 "50 per cent of all revenues received by the state from all sources of income or taxation shall be used and

5- Swift, op. cit.

expended for the support and maintenance of the common schools."⁶ Surely this is a forward step; but what will be the important sources for the production of this revenue? Again we find that most of this money will be produced by taxation - a general property tax this time, for the state general fund (by far Georgia's largest state fund) is made up of the proceeds of a general property tax "sufficient to meet the appropriations of the General Assembly".⁷

Nevada: Again shifting our attention, we sought out Nevada. Here we had a state apparently almost entirely neglecting the state school tax as a source of revenue for the state support of public schools, Where does Nevada's general fund originate? An examination of the comptroller's report shows us that in 1918 the total receipts into the treasury of the state of Nevada were \$2,241,504.70.⁸ Of this total, property taxes produced \$1,055,637.15 and mines taxes \$49,326.42.⁸ These two taxes combined produced 49.1%⁹ of the state revenue. Here again the state taxes although not in evidence were an important source of revenue.

Utah: The neighboring state of Utah which levies a state school tax of over 4 mills naturally makes few appropriations for schools, but the few educational aids which are obtained from appropriations show even greater dependence upon tax proceeds than is the case in Nevada for in 1918 Utah derived 68.5 per cent of her state revenue from a general property tax⁹ and 16.3 per cent from special taxes.⁹ Thus only 15.2 per cent of her total revenues came from sources other than taxation.

6- Ga. School Code, 1919, p. 23.

7- Ga. Code, 1911, sec. 915.

8- Nev. Comptroller's Report, 1918, p. 11, pp. 6,7.

9- Utah Treasurer's Report, 1918, p. 13.

Texas : In the same year the more southerly located state of Texas, which has become justly famous for her million dollar appropriations for public schools, derived 90.3 per cent of her general revenue from the proceeds of taxes - the figures being as follows:¹⁰

"From tax collectors"	\$17,310,568.17
"Receipts from gross taxes"	1,327,134.64
	\$18,637,702.81 ¹⁰
Total general revenue fund exclusive of balances	\$20,554,091.36

The conditions relative to the original sources of general fund appropriations shown to exist in these five states may be taken as fairly representative of conditions in other states as well. Thus, it becomes evident that whenever a state appropriation for public schools support is made we are subject to whatever evils or advantages the appropriation system may have without appreciably lessening our tax for schools. The apparent difference lies in the fact that the increase in taxes is now indirect rather than direct.

Hence, we may summarize this second major source of state school support by saying that it is so closely allied to the first source, taxation, as to be well nigh inseparable. The appropriation may be in lieu of the tax or vice versa, but, nevertheless, the upshot of the matter is that the individual citizen and the state's industries must eventually pay by some form of tax for state school support.

10- Texas Treasurer's Report, 1918, p. 5.

Chapter V

State Permanent School Funds

Introduction Perhaps nothing can reveal more effectively the significance of the state school tax as a source for providing increased revenues for public school support than a survey of the permanent school funds in the states under consideration. These funds were for a long time regarded as the backbone of state aid and in many states they still occupy an exceedingly important position in the system of school finance. Were it possible to continue to depend upon these funds for increments in school revenue at all proportionate to increments in school needs we might dismiss from our consideration much of what has been said regarding state taxation. It is the purpose of the present chapter to show the present condition of these public endowments in our 29 state school tax states with a view to determining their possibilities as potential sources of revenue adequate to meet growing needs and to furnish sufficient relief to make unnecessary large increases in taxation or appropriations. No attempt will be made, however, to make this account intensive. An intensive study would constitute an entire thesis. It will be well before going further in our discussion to present, briefly, the general advantages and disadvantages of the state permanent school fund as a source of state school support.

Advantages Certain outstanding arguments in favor of permanent state school funds are that (a) They are extremely stable. (b) If invested wisely they will yield fair returns and are extremely unlikely to decrease in value. (c) There can be no question that the income from a large permanent school fund eases the tax burden for schools, for taxation plays no part in producing this income¹. (d) Lastly, if wisely handled, the permanent school fund income may be

used to encourage advance steps or experiments in education which the legislators, ever alert to crush out "fads," would certainly refuse to subsidize either by means of appropriations or tax proceeds. Now let us review the opposite side of the case.

Disadvantages State permanent school funds despite their general acceptance have had certain drawbacks. First, there has been a tendency to divert the principal to other uses, thereby leaving a permanent state debt, a liability where we should have an asset. Naturally, the interest paid on such a permanent debt instead of enlightening the tax load increases ^{it}. Second, large permanent fund incomes may give a feeling of security not altogether to be relied upon. Investments may someday drop in value or interest rates may fall. Such a state of affairs would limit the amount of revenue accruing from the permanent fund, thereby necessitating retrenchment in the rate of aid paid until such time as the difference might be made up by increased appropriation or taxation. Then again, the state permanent fund, like the state tax, has one certain and very definite disadvantage when compared with the annual or biennial appropriation. As was shown in Chapter II the appropriation method of financing the state school system demands that the people be educated up to and kept abreast of the state's public school efforts and needs. On the other hand the incomes from huge permanent school funds would tend to do away with the necessity of enlightening the masses regarding progress in the science of education since their interest or lack of interest would not alter the total sum of the revenues obtained. Finally, and perhaps most important, we face the fact that permanent fund incomes do not and can not increase in pace with expenditures. Let us suppose, for illustrative purposes, that the moneys of the state permanent school fund are invested in bonds bearing 4 per cent interest. Now supposing expenditures double and that the normal rate

of interest rises to 8%, these bonds belonging to the state permanent school fund still pay no more than 4% per annum. What is more the prevailing higher rate of interest will make it extremely difficult to dispose of these 4 per cent bonds with the view of reinvesting the moneys in bonds, yielding greater returns.

However, we shall not discuss the advisability of instituting permanent funds. Such a discussion would be fruitless for permanent funds are an actuality. We shall rather delve into the relationship existing state permanent school funds bear to state common school support. The first point to be discussed under this heading will be the present valuation of our existing permanent school funds.

Valuation: Many states still have a large acreage of unsold lands to their credit. The sale of portions of these lands is at present gradually increasing the capital value of the funds. This increase will not continue for long for reasons which will be explained in a later section on sources. We shall here endeavor to present the present valuation of these funds. In order to facilitate the discussion and avoid unnecessary repetition these valuations have been inserted in Table 14 which deals with sources of increase. By reference to Table 14 (p.80.) we find at first glance that the permanent state school funds in the 29 states chosen for this study vary widely in total value. The principal of these permanent funds ranges all the way from over \$36,000,000 in Minnesota down to what in Alabama, Maine, New Hampshire, and Ohio may well be considered a negative amount inasmuch as the so called permanent school funds in these four states are entirely credit funds upon which the state must pay an annual interest.

In order that we may the more clearly visualize the relative

1- We are assuming here that the fund is a true fund and not a state debt.

positions of the states on the basis of their school funds and in order that we may receive a clearer general impression of the investments represented by these funds Table 11 is here inserted. The table has been arbitrarily arranged so that states having permanent school funds somewhat closely allied in value will fall within the same general group. As a consequence we find our states divided into nine groups as indicated below.

Table 11.

Classification of 29 States According to the Valuations
of Their Permanent State School Funds

VALUE OF FUND IN MILLIONS OF DOLLARS ²								
under one	one to two	two to three	Three to four	Four to six	Seven to eight	Ten to Fourteen	Nineteen to Twentytwo	over Thirty-six
Del.	Ariz.	Ala.	Utah	Wis,	N.J.	Ind.	N. Dak.	Minn.
Maine	Ark.	Ky.	Va.	Mass.		Wash.	Texas	
N.H.*	Fla.	La.	Wyo.					
N.M.	Vt.	Nev.						
N.C.	W.Va.	Tenn.						
Ohio,								

A count of the states entered in Table 11 shows that 16 states have funds valued at less than 3 million, 19 have funds valued at less than 4 million, and 21 have funds valued at less than 6 million, while only 5 have funds valued at over 10 million. Of the last named five, two have funds equaling approximately 20 million and one has a fund valued at above 35 millions.

2- Georgia has no state permanent school fund and the New Hampshire Literary fund is not a true state permanent common school fund. See Table 14, footnotes 15, 26 a

Permanent Fund Incomes

With such a wide range in the valuation of the permanent funds themselves it is evident that the incomes derived from these funds will vary almost as much. It is further evident that if each state apportioned its permanent fund income in the same manner and for the same purpose as every other state there would be little equality in the educational conditions thus produced. A tabulation of the amounts produced by the various state permanent funds will be found in Table 12.

Table 12

Incomes Produced by State Permanent Common School Funds
(1918)

0 - \$500,000		\$500,000 - \$1,000,000		Over \$1,000,000	
State	An.Fd.Inc.	State	An. Fd. Inc.	State	An. Fd. Inc.
Ga.	No fund	Ind. ^e	\$568,388	N. Dak. ^l	\$1,183,907
N.Car.	?	N.J. ^k	709,118	Minn. ⁱ	1,333,040
N.H. ^a	\$23,000	Texas ^t	939,937		
N.Mex. ^v	28,384	Wash. ^p	977,704		
Me. ^g	29,066				
Del. ^r	49,685				
W.Va. ^q	50,889				
Ark. ^a	56,000				
Vt. ^a	60,221				
Fla. ^d	71,247				
La. ^a	73,000				
Va. ^o	106,749				
Nev. ^j	111,109				
Wyo. ^v	116,411				
Ariz. ^c	124,969				
Tenn. ⁿ	136,229				
Ky. ^f	143,725				
Ala. ^b	169,824				
Mass. ^h	210,556				
Utah ^v	223,253				
Wis. ^u	224,314				
Ohio ^m	250,752				
Cal. ^s	354,583				

Footnotes to Table 12

- a- Total taken from Swift, F.H., Fictitious Funds an unpublished study.
- b- Swift, F.H., Public School Finance in Alabama, p. 310
- c- Ariz. Supt. of Public Instruction Report, 1918, p. 80.
- d- Fla. Supt. of Public Instruction Report, 1918, p. 26.
- e- Ind. Treasurer's Report, 1916, p. 18 statement 7.
- f- Computed from data Ky. School Laws, 1918, p. 8, sec.9.
- g- Me. Treasurer's Report, 1918, p. 28.
- h- Mass. 83rd. Annual Report of the Dept. of Educ. 1919, p. 182.
- i- Minn. Report of the State Board of Educ. upon the Revision of of State Aid, p. 31.
- j- Nev. Comptrollers Report, 1918, p. 10
- k- N.J. Treasurer's Report, 1915, p. 85.
- l- N.D. Supt. of Public Instruction Report, 1918, p. 82.
- m- Ohio Supt. of Public Instruction Report, 1918, p. 88.
- n- Tenn. Treasurer's Report, 1917-18, p. 152.
- o- Va. Supt. of Public Instruction Report, 1918, p. 62.
- p- Wash. Supt. of Public Instruction Report, 1918, p. 207.
- q- W.Va. State School Supt. Report, 1918, p. 84.
- r- Del. Auditor's Report, 1919, p. 42.
- s- Swift, F.H.. Common School Finance in California, an unpublished study, p. 16.
- t- Computed from data Texas Treasurer's Report, 1918, p. 3.
- u- Wis. Treasurer's Report, 1917-18, p. 64.
- v- Statistics of State School Systems, 1917-18, p. 124, col.2.

In as much as this table shows us a condition parallel to that just discussed for Table 10. We shall not analyze it further than to note that the incomes, varying directly as do the funds themselves, range from a mere pittance of \$23,000 in New Hampshire to \$1,333,040 in Minnesota. The state occupying the median position (Alabama) has an income of \$169,824.

Distribution of Permanent Fund Incomes Despite the fact that the permanent school fund income may, in certain instances, appear negligible, the method in which this income is distributed is a matter of considerable importance and may have a distinct bearing upon the educational attitude of the state. Investigation shows, as might be expected, that the permanent state school fund incomes are expended in various ways. This fact is illustrated in Table 13.

Table 13.

Provisions Made for the Distribution of the Income from the
Permanent School Fund Income by 27 States. ^a

No Provision Found	No Provision other than "to be used for free schools"	Merged with current school fund ^b	Distributed to county or districts on the basis of school population	Specific Special Provisions
Alabama	California ^c	Ark. ^e	Ariz. ^s	Mass. ^x
Florida	Tennessee ^d	Del. ^f	Ind. ^t	N. J. ^z
North Car.		La. ^h	Ky. ^g	
		Me. ⁱ	Minn. ^y	
		Nev. ^j	Ohio ^u	
		N.Mex. ^l	Utah ^v	
		N.Dak. ^m	Wyo. ^w	
		Texas ⁿ		
		Vt. ^o		
		Va. ^p		
		Wash. ^k		
		W.Va. ^q		
		Wis. ^r		

Footnotes to Table 13.

a-Georgia and New Hampshire not considered for reasons given in Table 14--footnotes 15 and 26a.

b-Either specifically or by import of law.

c-Swift, F.H., Common School Finance in California, (an unpublished study) p.14

d-Tenn. Public School Laws, 1917, p. 50

e-Ark. Digest of School Laws, 1919, p. 22, sec. 7490

Footnotes to Table 13 (cont.)

- f-Del. School Code, 1919, p. 92, sec. 212
- g-Ky. School Laws, 1918, p 2, sec. 186
- h-La. Public School Laws, 1919, p. 102
- i-Me. School Laws, 1919, p. 64, sec. 153
- j-Nev. School Code, 1919, p. 45, sec. 136
- k-Wash. School Laws, 1919, pp. 7-8
- l-N. M. Statutes, 1915, p. 86
- m-N. Dak. General School Laws, 1917, p. 30, sec. 1208
- n-Texas Public School Laws, 1917, p. 8, sec. 8
- o-Vt. General Laws, 1918, p. 36, sec. 1369
- p-Va. School Laws, 1915, sec. 136
- q-W. Va. Supplement to the Code, 1909, sec. 1599
- r-Wis. School Code, 1919, p. 184, art. 20-24, sec. 2
- s-Ariz. School Laws, 1919, p. 8, sec. 8
- t-Ind. School Laws, 1917, p. 215, sec. 426
- u-Ohio School Laws, 1915, p. 152, sec. 7578
- v-Utah School Laws, 1919, Appendix, p. 27
- w-Wyo. School Laws, 1919, p. 21, sec. 63
- x-Mass. Educational Legislation Enacted in 1919, p. 33
- y-Keeley, F.E., History of Public School Support in Minn., p. 21
- z-N. J. School Laws, 1918, p. 123, sec. 243

A summary of the preceding table reveals the following facts: In 15 states the state permanent school fund income becomes part of the general state school moneys thus losing its identity as a special and distinct source of revenue for state aid or support. One state provides merely that the permanent school fund income shall be used for the support of public free schools. Three states

make no direct provision by law as to the basis for the distribution of the permanent fund income; seven states provide for its distribution either to counties or districts on the basis of school population. Only two states out of the entire group of 29 make careful provision for the distribution of the income from the permanent school fund. As a matter of general interest we have here inserted the provisions made by these two states (Massachusetts and New Jersey) for the disbursement of their receipts from the state permanent fund.

Of these two states Massachusetts may be said to have the best worked out method for apportioning the permanent school fund income. She provides that aid from the permanent fund shall be distributed according to the "assured minimum"--i.e.--the difference between the aid received from the income tax and the school's expenditure. The aid for towns having valuations up to \$500,000 is equal to one-half the assured minimum; for towns having valuations between \$500,000 and one million dollars it is one-third of the assured minimum. For towns whose valuation is between one and two and one-half millions the aid provided is one-half the amount by which the assured minimum exceeds the amount which would have accrued from a tax of \$5.00 per \$1000.00 valuation of property within the district. ³

New Jersey provides the purposes for which the permanent fund income shall be expended rather than the method by which it shall be distributed. Section 243, page 123 of the 1918 School Laws limits the use of the school fund income to the following purposes alone: (a) Support of public schools. (b) Payment of the salaries of county superintendents of schools. (c) Payment of premiums and accrued interest on bonds purchased by the fund.

3. Mass. Educational Legislation Enacted in 1919, p.33, secs.11-13

Sources of Permanent Fund Increase.

Since we have considered the income and the distribution of income of permanent state school funds it may be well likewise to consider the permanent fund's sources of increase. The future importance of permanent funds will depend upon their increasing in pace with expenditures. Table 14 is introduced at this point in order to make clear that the permanent funds must soon decline in relative importance if they have not already done so.

STATE	Name of fund	Type of State debt or true debt	Rate of Int. pd. on Debt.	Value of Fund Dollars	Sec. 2	Sec. 4	Sec. 16	Sec. 52	Sec. 56	Lands	Saline	Swamp	Indemnity	All lands granted by Congress.	5% U.S. Land Sales	State School Lands	Rent and proceeds of lands	Royalties	Appropriations	Donations	Escheats	Fines	Forfeitures	Money previously belonging to Fund	U.S. Deposit moneys	MISCELLANEOUS
Ala. (1)	Valueless 16th Section Fund			97,091																						
	Surplus Rev. Fund			669,086 (2)																						
	16th Sec. Fund			2,090,851 (2)																						
	School Fund																									
	City Land Fund			158,065																						
Ark.	Permanent State School Fund			1,608,040 (3)	X	X	X	X	X	X			X			X				X	X	X	X			
	(1) Permanent School Fund			1,154,000 (7)																						
	(52) School Fund			8,053,538 (10)						X						X										
	(1) School Fund			944,000																						
	(8) School Fund			1,566,132 (13)																						
	(19) School Fund																									
Calif.	Perpetual School Fund			8,053,538 (10)																						
Del.	School Fund			944,000																						
Fla.	State School Fund			1,566,132 (13)																						
Ga.	No Fund																									
Ind.	Common School Fund (16)			8,168,082 (15)						X																
	Congressional Normality Fund			2,508,577																						
Ky. (1)	Permanent School Fund			2,395,000																						
	Free School Fund			1,951,000																						
	U.S. Deposit Fund			479,000																						
La. (1)	Permanent School Fund			2,395,000																						
	Free School Fund			1,951,000																						
	U.S. Deposit Fund			479,000																						
Me. (1)	Permanent School Fund			486,000																						
	School Fund			5,000,000																						
Mass.	School Fund			5,000,000																						
	School Fund			5,000,000																						
Minn.	Permanent School Fund			29,817,575 (24)						X																
	Swamp Land			6,519,491 (24)																						
	State Perm. Fund (26)			2,410,000 (25)																						
Nev. (1)	State Perm. School Fund			2,410,000 (25)																						
	Institute			59,000																						
N.H.	State Perm. Fund (26)			59,000																						
N.J.	State Perm. School Fund			7,277,163 (27)																						
	Common School			166,410 (29)																						
	Per. Fund (30)			400,000																						
	Loan Fund																									
N.D.	Permanent School Fund			19,166,536 (31)																						
	16th Sec Fund			255,000																						
	16th Sec Fund			197,000																						
	U.S. " "			120,000																						
	U.S. " "			257,000																						
	W. Res. " "																									
	Permanent School Fund (36)			2,512,500																						
Tenn.	School Fund			2,512,500																						
Tex. (37)	Permanent School Fund			21,859,362 (38)																						
	Public School Fund			3,650,042 (40)																						
Utah (39)	Permanent School Fund			1,564,127																						
Va. (1)	Permanent School Fund			1,564,127																						
	School Fund																									
Va.	Literary Fund (42)			3,862,526 (43)																						
	Common Sch. Fund			15,761,555 (45)																						
	Common Sch. Fund			1,000,000 (49)																						
	School Fund (49)			4,756,361 (49)																						
	Common School			3,545,599 (51)																						
	Per. Land Fund																									

Unexpended balances of all school funds and appropriations. Money received from government not otherwise appropriated.

2% from gross proceeds of toll gates and bridges.

Lands not otherwise appropriated

State certificate for \$2,512,500.

\$240,000 returned by U.S. Government in settlement of Civil War Claims School Fund of 1835 value \$234,900.44 bearing 4% interest. Hunting-ton Fund value \$211,535.46 bearing 6% interest.

Waste lands, primary fees Proceeds of any property granted for use of common schools Military exemption money. Grants purpose of which is not specified.

(19) Bond of Commonwealth for \$1,327,000; Stock in Bank of Kentucky and proceeds \$79,800 (19) - U.S. Government moneys (18) Other state land not specifically appropriated (21)

Bank tax fund, 115th section of charter of State Bank of Indiana, sale of Co. Seminars, Surplus Revenue fund, circus, ferry and traveling merchants fees.

25% of sales of state lands

10% of proceeds of sale of state lands Funded debt bonds of 1873 - \$1,526,500; forest reserve and internal improvement lands

FOOTNOTES TO TABLE. 14

Unless otherwise indicated the footnote reference following the title of a fund holds true for all other data presented concerning that fund.

a- Signifies 100%.

1- Swift, F.H.; an unpublished article entitled "Fictitious State Permanent School Funds."

2- Value of this fund including unsold lands estimated at \$5,556,571 -- Swift, op. cit.

3- Ariz treasurer's Report, 1915-1916, p.6.

4- Ariz. School Laws, 1919, p.5, sec.27; p.7, sec.8; pp.3-4, sec.24.

5- Swift, F.H.; History of Public Permanent Common School Funds in the U.S. p.219.

7- Value including unsold lands estimated at \$1,384,500 - Swift, Fictitious Funds.

8- "All moneys given, appropriated, or in said fund are appropriated and dedicated to the purpose of free public education in Delaware." Del. School Code, 1919, p.91, sec.206.

9- Ibid., says fund is to be held inviolate.

10- Del. Annual Reports of the State Board of Education and of the Commissioner of Education, 1917-1918, 1918-1919, p.129, sec.16.

11- Fla. Constitution, Art. XII, sec.4.

12- Fla. Treasurer's Report, 1917, pp.40, 297, 298.

13- Ibid., computed.

14- Fla. Superintendent of Public Instruction Report, 1918, p.6.

15- Swift, "Permanent Funds" p.260.

16- Ind. School Laws, 1917, p.215, sec.426.

16a- Ibid., p.216, sec.429.

17- Ky. School Laws, 1918, p.18, sec.39.

18- Ibid., p.2, sec. 188.

19- Ibid., p.1, sec. 184, Debt is sum of \$1,563,700 borrowed during Civil War. - Swift, "Fictitious Funds".

20- La. Constitution, Art.258, Public School Laws, 1919, p.12; p.102.

21- Ibid., p.70.

22- Me. School Laws, 1919, p.59, sec.138; p.64, sec.153; p.65, sec.158; p.66, sec.162; p.68, sec. 168; p.70, sec.177; p.78.

23- Kelley, Frances E.; History of Public School Support in Minnesota, pp.36-38.

- 24- Minn. Report of the State Board of Education Upon the Revision of State Aid, p.31.
- 25- Value including unsold lands is \$3,783,179 -- Swift, Fictitious Funds.
- 26- Nev. School Code, 1919, p.45, sec.134; Constitution, Art. XI, sec.3.
- 26a- N.H. institute fund is not a true common school fund --Swift, Permanent Funds, p.338.
- 27- N.J.Treasurer's Report, 1918, p.106. This fund is increasing quite rapidly for in 1915 it amounted to only \$6,215,061. Treasurer's Report 1915, p.69.
- 28- N.J.School Laws, 1918, p.123, secs. 241, 242.
- 29- N.Mex. Superintendent of Public Instruction Report, 1914, p.12. Counting lands Swift (1905) estimated the value at \$4, 284,042. Bureau of Education estimated \$48,000,000.
- 30- N.Mex. Statutes and Codification, 1915, p.87 (Constitution, Art XII. sec.2)
- 31- N.Dak. Superintendent of Public Instruction Report, 1918, p.86. Some of this money was in the form of deferred land contracts (school land purchase moneys not yet paid) paying 5% interest. The actual cash value of this fund on July 1, 1918 was only \$11,694,947.17 - Report of the Land Commissioner for 1918, p.10.
North Dakota's fund is rapidly increasing. According to the Treasurer's Report, 1918 (p.7) the receipts of the fund for that year were \$1,556,987.88.
- 32- N.Dak. General School Laws, 1917, p.6, secs.10,11,13.
General School Laws, 1919, p.7 (Constitution Art. IX, sec. 153.)
- 33- Swift; Permanent Funds, p.376.
- 34- Ohio School Laws, 1915, pp.152-154.
- 36- Tenn. School Laws, 1917, p.50.
- 37- Texas Public School Laws, 1917, pp.5-7.
- 38- Total of cash and bonds. Texas Treasurer's Report, 1918, p.3.
- 39- Texas Session Laws, 1919, p.27 (Constitution Art. X, sec.3.)
- 40- Utah Report of the State Board of Land Commissioners, 1917-1918, p.74.
- 41- Vt. General Laws, 1918, pp.34-35, secs.1348,1357,1361.
- 42- Va. School Laws, 1920, p.5, sec. 5 (13).
- 43- Va. Superintendent of Public Instruction Report, 1916-1917, p.157
- 44- Wash. School Laws, 1917, p.109, sec.344 (Constitution, Art.IX, sec.3).
- 45- Wash. Treasurer's Report, 1916-1918, p.89.
- 46- There is some doubt about this. The Constitution provides that proceeds of escheats and forfeitures shall go to the common school fund, but the School Laws, 1917, p.7 say that "penalties and forfeitures shall be placed to the credit of the current school fund" which is an expenditures fund.

- 47- Swift; Permanent Funds, pp.426-427.
- 48- W.Va. State Superintendent of Schools Report, 1918, p.82.
- 49- This debt is the sum of \$1,563,700 borrowed during the Civil War.
Swift; Fictitious Funds.
- 49a- Swift; Permanent Funds, p.430.
- 50- Wyo. Commissioner of Public Lands Report, 1918, p.15.
- 51- Wyo. Commissioner of Public Lands Report, 1919-1920-,p.18.
- 52- Swift,F.H.; an unpublished study, Common School Finance in California,
pp.14-21.
- 53- Mass. Revised Laws, 1902, vol.1, p.464, secs. 1,2,4.
- 54- N.Car. Public School Laws, 1919, pp.3,32, secs. 4, 5480.
- 55- N.Car. Superintendent of Public Instruction Report, 1916-1918, p.287.

A cursory glance at Table 14 shows that the permanent fund sources which are of primary importance are lands or products of lands. Other factors such as escheats and forfeitures enter in but they are negligible. A closer study of Table 14 further shows that in 19 states several different land sources serve to increase permanent funds. In 20 states only one land source is indicated. In 7 states the permanent fund derives no part of its increase from lands. Of the states in this latter group of 7 New Hampshire has a tiny fund, West Virginia has a fund limited by law to \$1,000,000, Delaware and Massachusetts have funds which no longer are increasing appreciably, and Kentucky, Tennessee and Vermont have funds which in reality are state debts.

State school lands as a source of permanent fund increase are rapidly becoming exhausted as is witnessed by the following table.

Table 15.
Decreasing Area of State School Lands 1900 to 1918.

STATE	AREA OF STATE SCHOOL LANDS IN ACRES.		
	1901 ^a	1910 ^b	1918 ^c
Ala.		300,000	73,000
Ariz.			8,328,185
Ark.			48,500
Cal.			
Del.			
Fla.	257,925	226,528	206,379
Ga.		3,000	
Ind.		720	680
Ky.			
La.		1,357,598	110,000
Me.			
Mass.			
Minn.	982,324*	950,868	2,000,000
Nev.			18,257 <i>err</i>
N. H.			
N. J.			
N. Mex.	3,427,200*	4,240,080	8,646,000
N. Car.	600,000		200,000
N. Dak.		1,578,898	1,445,764
Ohio			20,573
Tenn.			
Texas	20,029,636	3,955,789	1,242,229
Utah	1,652,004	26,000	2,500,000
Vt.		100,000	
Va.			
Wash.	550,000*	434,411	1,803,072
W. Va.			
Wis.	32,198*	16,670	12,802
Wyo.	4,001,905	3,758,010	3,235,756

Footnotes to Table 15.

a-U. S. Commissioner of Educ. Report, 1902, vol. I, pxcii

b-Ibid, 1911, vol. II, p. 708

c-Statistics of State School Systems, 1917-1918, p. 119

* Data for 1902, U. S. Commissioner of Education Report, 1903, vol. I, p. cvii

A limited number of the states seem to have increased their lands. This is explainable in two ways. (a) The states have either been admitted since the original report was made, or (b) the lands had not been all surveyed at the time of that report. Taking this fact into consideration we are justified in concluding that unless we find a new source of revenue of large proportion to be turned to the credit of our permanent funds they will shortly become relatively fixed and their income will soon be far outdistanced by expenditures which as we know are increasing by leaps and bounds.

Chapter VI.

A Brief Summary of Certain Educational Conditions in State School Tax States.

Introduction: In the preceding chapters we have considered the main sources of state school support in the 29 states which alone of the 48 in the Union levy state school taxes. We have, likewise, noted the sums accruing from state school taxation and from appropriation. But this alone does not tell what the educational conditions in these states are. We must have some knowledge as to educational conditions before we can truthfully say whether or not a large amount of state aid or a large state school tax is helpful and whether it has tended to incite progress or has encouraged lethargic indifference on the part of the local units. One method of determining the effect state aid and support has had is to compare the educational standards of the state with its valuation, with the percentage of the total educational expenditures furnished by the state, etc. We have chosen to take attendance statistics, per capita expenditures for education, value of school property, teachers' average annual salaries, number of pupils per teacher and average length of the school year as our criteria of progress.

Before making this survey, however, we must have a thorough understanding of certain modifying circumstances. State assumption of the responsibility for the education of its children is a comparatively recent development. For long years the local unit has financed its own system of schools. Education has been looked upon as a local rather than as a state function. Consequently, we find that in our most progressive states the local units, realizing the value of education, have spent for the training of their children

huge sums far in advance of whatever amount the state saw fit to give. It is only in states such as Alabama, which stand low on the scale of educational progress, where the local community has little interest in schools, that we find the state supplying the major portion of the money expended for public schools. In no case do such states approximate in their total expenditure the total expenditures of the more alert and progressive New England or North Central states. Hence, we may expect to find an inverse relation existing between state share in expenditures for public school support and educational conditions. It is further to be expected that as our populace becomes more enlightened this status of affairs will be reversed.

Table 16, showing the percentage of total school revenues derived from each of the three units, state, county and local, indicates what general conditions we may expect to find in the way of educational standards and ideals in each state.

Table 16

Percentage Sources of Total Educational Receipts in
Each of 29 States

State	percent ¹ from state	percent ² from county	percent ³ from district
Ala.	63.7	32.1	4.2
Ariz.	21.1	36.9	42.0
Ark.	28.2		71.8
Calif.	22.3	35.4	42.3
Del.	26.8		73.2
Fla.	23.1	51.4	25.5
Ga.	50.4	18.8	30.8
Ind.	17.2		82.8
Ky.	46.5	16.8	36.7
La.	24.1	38.6	37.3
Mass.	3.7		96.3
Me.	46.1		55.4
Minn.	28.5	7.9	63.6
Nev.	37.2	42.6	20.2
N.H.	6.4		93.6
N.J.	45 ² / ₃	.4	54.3
N.M.	79.3		20.2
N.Car.	14.2	51.2	34.6
N.Dak.	15.1	8.1	76.8
Ohio	18.2	1.7	90.1
Tenn.	19.6	64.4	16.0
Tex.	41.0	3.1	55.9
Utah	35.6		64.4

Vt.	22.3		77.7
Va.	30.5	22.8	46.7
Wash.	21.9 ⁴	21.0	57.1
W.Va.	9.2	.4	90.4
Wis.	18.0	14.2	67.8
Wyo.	26.1	30.9	43.0

Footnotes

1- Bureau of Education, Bulletin, 1920, No.11 p.122, Table 44, Col.1.

2- Ibid, col. 2.

3- Ibid, col. 3.

4- Wash. Supt. of Public Instruction Report, 1918, p. 210 gives the per cents as state 19.5; county 18.8; and district 57.1 from table 2.

The rankings used indicate the position of each state according to its placement in the total group of 48.

Percentage Sources of State Support: In connection with this it will also be well to make note of the percentage sources of state aid in our group of 29 states. For this reason Table 17 is here inserted.

TABLE 21. RELATION OF TEACHERS SALARIES TO STATE TOTAL EXPENDITURES FOR SCHOOLS AND STATE PERCENTAGE SHARE IN SAME. NUMBER OF PUPILS PER TEACHER AND AVERAGE LENGTH OF SCHOOL YEAR

State	Rank in Union on Basis of Total Educ. Receipts ^a	Rank in Union on Basis of % furnished by State ^a	Average Annual Salary of Teachers ^b	Rank in Same	Average Number of Pupils per Teacher ^c	Average Length of School Year ⁿ (days)
Ohio	3	39	\$744	13	29	163
Calif.	6	18	1012	1	25	172
N.J.	7	5	948 ^d	5	29	185
Mass.	8	44	858	7	27	176
Minn.	10	12	651 ^c	20½	21	169
Texas	11	7	561 ^e	28	27	146
Ind.	12	25	587	22	33	155
Wis.	13	24	521	30	23	178
Wash.	17	20	922	4	22	174
N.Dak.	23	28	578	24	17	168
Va.	24	11	385	40	25	141
W.Va.	25	36	408 ^f	38	23	133
Ky.	26	4	364	44	24	150
La.	27	16	471	35	29	136
N.Car.	30	27	284	48	28	123
Tenn.	31	23	370	42	34	140
Ga.	32	2	366	43	31	138
Ala.	33	1	345	45	29	124
Fla.	35	17	383	41	28	130
Utah	36	9	754	10	29	169
Ark.	37	13	387	39	34	120

Me.	39	6	443	37	23	169
N.Mex.	42	22	500	33	28	155
Ariz.	43	21	952	3	21	162
N.H.	44	41	548	29	18	174
Vt.	45	19	467	36	25	171
Wyo.	46	15	578	24	30	150
Del.	47	14	662 ^c	19	25	164
Nev.	48	8	874	6	21	171

FOOTNOTES TO TABLE...

- a- Taken from Table ...
- b- Data from Statistics of State School Systems, 1917-18, p.114, Table 39, col. 4. Average Annual salary for entire U.S. is \$635.
- c- Del. Annual Reports, 1917-1919, p.108. Bureau of Education Bulletin gives only \$561.
- d- N.J. School Report, 1918, p. 155. Bureau of Education gives average salary as \$911.
- e- Tex. Supt. of Public Instruction Report, 1916-1918, p. 643. Bureau of Education gives average salary as \$487.
- f- Bureau of Education and State Superintendent check exactly.
- g- Computed from data Statistics of State School Systems, 1917-1918 p. 112, col. 12. and p. 101, col. 8.
- h- Statistics of State School Systems, 1917-1918, Table 36, col.1.

It will be seen at once that here again we have no close connection between ranking in total amount of aid furnished by the state and the ranking in teachers' salaries. Again we find that the geographical location of the state has determined the teachers' average salary. The median salaries are paid in the central states, the highest in the east and west coastal states and the most meager salaries in the southern states. In regard to the number of pupils per teacher and the average length of the school year the condition is similar. We find the median number of pupils per teacher in Massachusetts and Texas both of which rank high in total educational receipts but are at extremes in the percentage furnished by the state. The two states having the smallest number of pupils per teacher, New Hampshire and North Dakota, rank respectively median and low in both total expenditure and state share. Strangely enough, the states having most pupils per teacher also rank near the median in these items of total expenditure and state share in the total. An even worse condition prevails in respect to the length of school year. Alabama, where the state produces the greater portion of the money expended for school support, ranks third from the bottom in length of school year. New Jersey, fifth state in rank on the same basis, has the longest school year and Arizona, one of the lowest states according to total expenditure and median according to state share, has a school year of median length. The difference between conditions in Alabama and New Jersey again harps back to the fact that there are two extremes of local interest here represented.

Conclusions: The results of the data presented in the present chapter seem to warrant reaffirming the statement made at the beginning of this chapter, namely that the total state share in expenditures for schools would bear a negative relation to the educational

status of the state judged by these items due to the difference in educational attitude of the individual communities within the states themselves. For the same reason there seems to be no greater connection between educational conditions and a high tax rate for educational purposes than there is between educational conditions and a very low tax rate for public schools

Chapter VII

Conclusions and Recommendations

Introduction: The state tax for schools is used in scarcely more than 60 per cent of our states. In about 40 per cent of our states it is the primary source of state revenue for schools. It is not in a single instance, however, the primary source of the total support for schools. We have seen that so far, despite the growing realization of the states' duty to educate its citizens, most of our states have lagged far behind the local communities in the efforts to provide adequate financial support for public schools. We are at present time coming more and more to recognize that such a status of affairs must not be allowed to continue.

Some educators urge that the support and control of schools be removed entirely from the hands of the local authorities and that the state assume the entire responsibility for the educational system. Other educators are not ready to espouse quite so revolutionary a step. They propose to greatly increase the amount of state support and alter the methods of distributing the state school funds. It is not sufficient, they say, that school attendance be made compulsory and that minimum terms be set. State aid must not be distributed indiscriminately. Local inequalities must be ironed out, but their removal must bring about increased local interest in education. Indifferent communities must be stimulated by the need for meeting higher qualifications as a prerequisite to participation in state aid and support.

The present tendency is to grant more and more aid to schools in communities where tax rates are high. The subsidizing of certain educational projects will in turn bait the richer communities which

receive less aid on to lift themselves above the minimum attainment set by the state.

Potential Sources of Additional State Support: Having acknowledged the need for increasingly greater state support for public schools we must cast about for a satisfactory means of obtaining the revenues for this increasing support. From our previous chapters it will be seen that permanent funds are out of the question. Likewise, the advantages of the state appropriation are dubious and, moreover, the appropriation method of financing public education does make use of the tax even though it be indirect. Hence, we must needs fall back upon the state school tax as a source of the necessary moneys for increasing state support.

The State School Tax: As has been indicated in preceding chapters the state school tax has numerous advantages in its favor. Many types of taxes are now in use as producers of state school revenue, but which one is best adapted to the purpose of increasing support? We might, haphazardly and at random, pick out certain types of taxes most commonly used as sources of state school support and say: "These taxes are used by most states; hence, must be the best." Such procedure would be neither scientific nor accurate. However, the limits of the present study do not permit a detailed study and analysis of all types of taxes. Such a study would offer material enough for several theses. Hence, we shall attempt to give only a brief resume' of the advantages or objections to certain types of taxes which might be levied for state public school purposes. Anyone of seven different types of taxes might become a productive source of state school revenue. Just how productive would depend upon the inherent advantages of the tax itself and the ability of the subject on which it was levied to produce.

The Poll Tax: The oldest type of tax used is the poll or per capita tax. The per capita tax is a survival of the days when, each person was required to pay a certain sum to his lord regardless of his property or his productivity. Naturally, the poll tax rate must be low or many people will be unable to meet it. Then again, it is difficult and expensive to collect because of the transitoriness of non-property-holders. We may be assured from the poll tax revenues produced in the southern states (see Table.9.) that the poll tax would produce only a limited portion of the larger revenue needed for common school support. Hence, we cannot look to the poll tax for assistance.

The Direct Property Tax: Another very old type of tax is the direct property tax. This tax was originally imposed because of the facility with which property might be assessed. Property not being moveable could not well be spirited away or concealed. The owner might falsify as to the property's value, but in case of too great discrepancy he could be checked up by comparing the valuation of his land with the valuation of similar land in the vicinity. Besides, the owner had no choice but to pay the taxes assessed against him inasmuch as his property might be held forfeit to the state if he failed to meet his tax obligation. The direct property tax is by far the easiest type of tax to levy, but the question of further increasing existing direct property taxes must be met with the question as to whether this type of taxation has not already reached its limit. Certain economists, e.g. Bastable, have argued that the direct property tax is never right; but aside from this objection we must remember that there is another objection to the state general property tax in that it is the chief source of district revenue. A largely increased property tax would tend to penalize ownership unless districts lowered their tax rates considerably.

Occupation Taxes: Occupation taxes are, on the whole, mainly some sort of license taxes. Naturally, occupation taxes like poll taxes are limited by the number of people or occupations which may be taxed. Then again, the tax must include all those engaged in the trade and must be low enough so that all may pay. The question has at times been raised whether occupation taxes are not really fines or penalties for engaging in doubtful trades. In such a case there may be some doubt as to the ethics of making wrongdoing pay for education. The real objection to this type of tax, however, lies not so much in its questionable character as in the limited amount of revenues produced.

The Tax on Natural Resources: A fourth type of tax is that laid upon natural resources such as minerals and metals. Taxes of this nature are often made heavy on the ground that these natural resources can never be replenished and, hence, will someday be exhausted. Thus the state feels justified in making as much out of them as it can while they last. A tax on natural resources will produce large revenues only in states such as Minnesota, Michigan, or Montana where there are large deposits of ore; it would not be applicable at all in such states as Iowa. Moreover, it would produce a revenue fluctuating in amount according to the demand for the raw material and its rapidity of production. Again, although there is a very strong argument for a tax on natural resources, the identical argument which upholds the tax also brings forth the theory that this raw material is a heritage of the people and, hence, taxes on it should not be spent outright but should be invested and made a producer of revenue for generations to come.

Inheritance Taxes: Fifth, we have the inheritance tax. This class of tax is opposed by many on the grounds that it is unfair to

both the deceased and to his beneficiary. Certainly the imposition of a heavy inheritance tax will not encourage a man to build up a big business or fortune to be left to a descendent. Besides, revenues from inheritances fluctuate more than revenues from any other source. We cannot kill off our rich men in order to collect a tax on what they leave. Consequently, chance dictates how much we shall receive from this source. This consideration, then, inhibits the use of the inheritance tax as a direct source of state school support. As an indirect source - added to the permanent state fund, it would, however, be very useful.

Income Taxes and Corporation Taxes: The five preceding classes of taxes have all been either unstable or overworked. We have two other classes of taxes promising great productivity. They are income taxes and corporation taxes. They will be considered together, inasmuch as the corporation tax and the income tax are quite similar in the details of operation. There has been considerable agitation for a change from general property taxation for schools to corporation taxation. Not uncommon are statements of the following nature: "Our system of public school taxation is antiquated, unfair and undemocratic. Our state-wide corporations, like the railroads, should be state taxed, and the state income from them should be apportioned by the state on a basis that will promote the cause of better schools."¹

The income tax, too, would seem to be more equitable than the general property tax for income represents cash and a tax on it should be all the more easily paid. A tax on property is harder to pay for the property may not be producing a sum equivalent to its value for any one of a number of reasons beyond the control of the property-owner. In such instances property becomes a liability - in-

1- N.C. MacDonald in N.D. Supt. of Pub. Instr. Report, 1918, p. 16.

stead of an asset.

New Educational Policies

We have seen the possibilities underlying our three present major sources of state school support. We now face the problem of determining what should be our policies, first, in regard to methods of obtaining maineys for increased state school support, and, second, in regard to the distribution of this revenue once it is obtained. Whole books have been written upon each of these subjects. It would be sheer folly in the limited space here available to attempt to lay down a policy which might be adopted with equally good results for all states.

Sources of State School Support in the Future: It will not be amiss, however, to give certain general principles which when carefully elaborated and adjusted so as to meet the peculiar situations in each state will form a solid basis upon which to build a much stronger and more adequate system of state education than exists anywhere in the union today. One outstanding feature of the new plan may well be a closer correlation of our three existing sources of state school support with appropriations and permanent funds made subsidiary to taxation. We may presume that the type of tax utilized to obtain ordinary revenue for maintenance will be in the nature of a corporation or an income tax or a combination of both. Inheritance taxes and taxes on natural resources will become part of the capital of the permanent school funds and as such may be used to perpetuate the educational ideals of the race. The permanent fund incomes will be use to subsidize advance steps or promising experiments in common school education. Appropriations will be used mainly for the purpose of meeting emergencies and giving occasional supplement to the permanent fund income.

General Bases for Distribution of State Support in the Future:

Preceding paragraphs have hinted at the uses and methods of distribution of the state support of the future. We may again refer to Massachusetts as a state which has taken a long step forward in the matter of the scientific distribution of state support. We shall expect in the not distant future to find many other states setting up more exacting standards of achievement which all the lesser units in the state educational system will have to attain before they become participants in the moneys raised for state support. We know now that among these standards will be found higher teachers' wages, better trained teachers, a longer school term, more adequate equipment, etc. Finally, schools unable to meet the standards because of already impossibly high tax rates will receive state support in the form of aid for the equalization of opportunities.

Table 17

Percentage Sources of State Revenue for State School Support^a

State	Taxation	Appropriation	Permanent Fund	Miscellaneous
Ala.	69%	27%	4%	
Ariz.	72%	13%	13%	2%
Ark.	68%	29%	3%	
Calif.	16%	79%	5%	
Del.	50%	40%	10%	
Fla.	68%	14%	17%	1%
Ga.	91%	9%		
Ind.	77%	5%	15%	3%
Ky.	95%	1%	4%	
La.	93%	4%	3%	
Me.	72%	27%	1%	
Mass.	90%	3%	6%	
Minn.	23%	55%	22%	
Nev.	58%	19%	23%	
N.H.	89%	8%	3%	
N.J.	88%	6%	6%	
N.M.	87%	8%	4%	1%
N.Car.	5%	95%		
N.Dak.		16%	80%	4%
Ohio	10%	85%	5%	
Tenn.	22%	70%	3%	
Texas	45%	41%	4%	
Utah	85%	4%	10%	1%
Vt.	53%	?	13%	34%
Va.	54%	43%	3%	

Wash.	68%	30%	2%	
W.Va.	47%	43%	9%	1%
Wis.	67%	25%	7%	1%
Wyo.		13%	86%	1%

A- Percentages computed by totaling figures for appropriations, taxes, and permanent funds, Tables 9, 10, and 12, and then dividing. In cases of doubt figures were taken from Statistics of State School Systems, 1917-18, Tables 45 and 46

This table will be used mainly for purposes of reference. We wish to note only that California, Minnesota, and Washington, are the sole states in our group of 29 states, which spend large sums for the state support of education yet do not derive most of their school moneys from school taxes. Among the states spending lesser amounts for the state share we find New Hampshire, New Mexico, North Dakota, Tennessee, West Virginia, and Wyoming obtaining a smaller portion of the total state share from taxes than from other sources of revenue.

How the 29 States Measure up to the Criteria Adopted

School Population as a Standard: The first attempt to get at the relation the state contribution to school maintenance bears to the educational standards of the schools in each of our 29 state school tax states will be a study of the enrollment and holding power of the schools. School attendance statistics for each of the 29 states are presented in Table 18.

Census ages and compulsory attendance ages have been included because of the fact that the gap between the two oftentimes explains the small percentage of the census enrolled. We have inserted the Commissioner of Education's estimate of the number of children between the ages of 5 and 18 because that is the number of children

we might hope to enroll under an ideal status of affairs where every child would complete the entire course of the elementary and high schools. The relation of this estimate to the actual enrollment and average daily attendance indicates our proximity to the ideal. The percentage of the total school enrollment in average daily attendance will give us some basis for determining the effect state support has upon the public schools.

TABLE 18. COMPARISON OF SCHOOL ATTENDANCE FIGURES IN 29 STATES

STATE	A CENSUS AGE	B COMPULSORY ATTENDANCE AGE	C SCHOOL CENSUS	D COMM. OF EDUC. EST. ^(a) 5-18	E SCH. ENROLL- MENT	^b % E IS OF C	^b % E IS OF D	F AVERAGE DAILY ATTENDANCE	^b % F IS OF E	^b % F IS OF C	^b % F IS OF D
Ala.	6-21 ⁽¹⁾	8-16 ⁽²⁾	769,805 ⁽³⁾	760,598	521,654 ⁽⁴⁾	67	64	322,124 ⁽⁵⁾	63	41	42
Ariz.	6-21 ⁽⁶⁾	8-16 ⁽⁷⁾	73,698 ⁽⁸⁾	66,655	68,295 ⁽⁸⁾	70	102	41,522 ⁽⁸⁾	67	56	62
Ark.	6-21 ⁽⁹⁾	7-15 ⁽¹⁰⁾	656,876 ⁽¹¹⁾	562,861	461,591 ⁽¹²⁾	69	82	299,918 ^(12a)	65	45	53
Cal.	6-21 ⁽⁹³⁾	8-16 ⁽⁹⁴⁾	861,083 ⁽¹¹⁾	606,350	629,309 ⁽⁹²⁾	73	103	456,809 ⁽⁹²⁾	73	53	75
Del.	6-18 ⁽¹³⁰⁾	7-14 ⁽¹⁴⁾	not available	53,657	37,167 ⁽¹⁵⁾	—	68	22,391 ⁽¹⁵⁾	60.24	—	41
Fla.	7-18 ⁽²⁰⁾	7-16 ⁽²¹⁾	319,954 ⁽²²⁾	269,553	196,405 ⁽²³⁾	61	74	137,295 ⁽²²⁾	70	44	52
Ga.	6-18 ⁽²⁴⁾	8-14 ⁽²⁵⁾	840,861 ⁽²⁶⁾	937,742	689,120 ⁽²⁶⁾	82	73	467,081 ⁽²⁶⁾	67.7	56	50
Ind.	6-21 ⁽²⁷⁾	7-14 ⁽²⁸⁾	778,786 ⁽²⁹⁾	712,913	564,152 ⁽³⁰⁾	72	78	552,000 ⁽³⁰⁾	98	70	77
Ky.	6-20 ⁽³¹⁾	7-16 ⁽³²⁾	648,307 ⁽³³⁾	707,766	535,332 ⁽³³⁾	83	76	342,669 ⁽³³⁾	64	52	48
La.	6-18 ⁽³⁴⁾	7-14 ⁽³⁵⁾	538,119 ⁽³⁶⁾	590,259	323,065 ⁽³⁶⁾	72	54	225,350 ⁽³⁶⁾	70	42	39
Me.	5-21 ⁽³⁷⁾	7-15 ⁽³⁸⁾	228,956 ⁽³⁹⁾	179,048	161,581 ⁽⁴⁰⁾	70	88	121,780 ⁽⁴⁰⁾	75	52	66
Mass.	5-16 ⁽¹¹⁾	7-14 ⁽⁹⁸⁾	705,135 ⁽⁹⁵⁾	855,544	607,805 ⁽⁹⁶⁾	86	71	506,474 ⁽⁹⁷⁾	83	72	59
Minn.	6-16 ⁽⁴¹⁾	8-16 ⁽⁴²⁾	482,289 ⁽⁴³⁾	635,138	468,040 ⁽⁴³⁾	98	73	350,762 ^(43a)	74	73	54
Nev.	6-18 ⁽⁴⁴⁾	8-16 ⁽⁴⁵⁾	14,265 ⁽⁴⁶⁾	18,831	14,231 ⁽⁴⁶⁾	99	77	10,225 ⁽⁴⁶⁾	71	71	52
N.H.	5-16 ⁽⁴⁷⁾	8-14 ⁽⁴⁷⁾	80,785 ⁽⁴⁹⁾	99,038	57,544 ⁽⁴⁷⁾	71	58	52,687 ⁽⁴⁷⁾	91.6	65	53
N.J.	5-18 ⁽⁴⁸⁾	7-16 ⁽⁴⁹⁾	677,973 ⁽⁵⁰⁾	739,126	561,825 ⁽⁵¹⁾	82	75	423,750 ⁽⁵¹⁾	88	62	57
N.Mex.	5-20 ⁽⁵²⁾	6-16 ⁽⁵³⁾	121,829 ⁽⁵⁴⁾	126,679	86,699 ⁽⁵⁴⁾	72	69	56,398 ⁽⁵⁴⁾	63	46	44
N.Car.	6-21 ⁽⁹⁹⁾	8-14 ⁽¹⁰⁰⁾	846,064 ⁽¹⁰⁰⁾	792,481	634,250 ⁽¹⁰⁰⁾	74	79	414,879 ⁽¹⁰⁰⁾	65	49	52
N.Dak.	6-21 ⁽⁵⁵⁾	7-15 ⁽⁵⁶⁾	200,532 ⁽⁵⁷⁾	222,693	162,572 ⁽⁵⁷⁾	81	73	114,582 ⁽⁵⁷⁾	66	55	50

Ohio	6-21 (58)	8-16 (58)	Girls 1,380 (59)	1,246,601	1,943,224 (60)	67	75	849,287 (61)	91	61	68
Tenn.	6-21 (62)	8-15 Boys 786,828 (64)	697,110	591,346 (64)	75.1	84	406,044 (64)	66	52	58	
Texas	7-21 (65)	8-14 (66)	1,232,905 (67)	1,441,881	1,098,989 (68)	91	78	806,391 (68)	72	67	56
Utah	6-18 (69)	8-16 (70)	134,887 (71)	131,734	110,193 (72)	84	84	85,996 (73)	78	63	65
Vt.	6-18 (73)	8-16 (74)	73,752 (75)	85,256	62,049 (75)	84	73	49,751 (78)	80	67	58
Va.	7-20 (76)	8-12 (77)	658,926 (78)	678,455	481,243 (78)	72	70	317,356 (78)	65	48	47
Wash.	4-21 (79)	8-15 (80)	336,237 (81)	363,812	262,829 (82)	78.2	72	194,854 (82)	74.1	73	53
W. Va.	6-21 (83)	7-14 (84)	437,620 (85)	416,483	307,381 (85)	70	74	219,831 (85)	71	50	52
Wis.	4-20 (86)	7-16 (87)	804,212 (88)	701,084	451,992 (88)	56	64	356,829 (89)	79	45	51
Wyo.	6-21 (90)	7-14 (90)	48,249 (91)	39,294	38,271 (91)	79	97	27,960 (91)	73	58	71

FOOTNOTES TO TABLE...

- a- Statistics of State School Systems, 1917-1918. U.S. Bureau of Education Bulletin, 1920, No. 11, p.93, table 20, col. 3.
- b- Computed.
- 1- Ala. School Code, 1919, p.30, sec.7.
- 2- Ibid., p.49, sec.1.
- 3- Ala. Dept. of Educ. Annual Report, 1919, p.180.
- 4- Ibid., pp.182, 245.
- 5- Ibid.
- 6- Ariz. School Laws, 1919, p.63, par, 2798.
- 7- Ibid., p.64, par. 2802.
- 8- Ariz. Superintendent of Public Instruction Report, 1918, p.79.
- 9- Ark. Digest of School Laws, 1914, p.122, sec. 7633.
- 10- Ark. Digest of School Laws, 1920, p.15, sec. 1.
- 11- Statistics of State School Systems, 1917-1918. U.S. Bureau of Education Bulletin, 1920, No. 11, p.93, Table 20.
- 12- Ibid., p.96, Table 23, col. 13.
- 12a- Ibid., p.100, Table 26, col.5.
- 13- Del. School Code, 1919, p.18, sec. 48.
- 14- Ibid., p.82, sec. 187. It is to be noted that the compulsory attendance age is extended from 14 to 16 for those who have not reached the eighth grade by 14.
- 15- Del. Annual Reports, 1917-19, p.88.
- 20- Fla. Laws Relating to Educ. 1917-19, p.20, sec. 6.
- 21- Ibid., p.17, sec.1.
- 22- Fla. Supt. of Public Instruction Report, 1918, p. 20.
- 23- Ibid., p.21.
- 24- Ga. School Code, 1919, p.26, sec. 72.
- 25- Ibid., p.57, sec. 171.
- 26- Ga. Dept. of Educ. Report, 1919, p.481.
- 27- Ind. School Laws, 1917, p.75, sec. 89
- 28- Ibid., p.263, sec. 609. Note that those who are not regularly employed must attend school until they are 16 years of age.

- 29- Ind. Dept. of Pub. Instruction Report, 1919, p.39.
- 30- ^{Ind}Dept. Publ. Instr. Report, 1918, p. 39.
- 31- Ky. School Laws, 1916, p.19, sec. 51.
- 32- Ky. School Laws, 1920, p.29, sec.3.
- 33- Ky. Supt. of Pub. Instruction Report, 1919, p.XV.
- 35- Ia. Public School Laws, 1919, p. 122, sec.7.
- 34- Ibid., p.9, Art. 248. If the parish has a kindergarten, children of 4 to 6 are included in the census.
- 36- Pub. School Situation in Louisiana, 1918-19, pp. 32-34.
- 37- Me. School Laws, 1919, p.14, sec.30. Census of 4-year-olds taken also if district has a kindergarten.
- 38- Ibid., p. 31, sec. 66. Any persons 15 to 17 years of age and unable to read must also attend school.
- 39- Me. State Supt. of Pub. Schools Report, 1918, Appendix p.136.
- 40- Ibid., Computed from tables found on pp.136, 179, 187, 199, 202, 206, and 210.
- 41- Minn. School Laws, 1919, p.74, sec.266.
- 42- Ibid., p.72, sec.260.
- 43- Minn. Dept. of Educ. Report, 1918, p. 168.
- 43a- Ibid., p.170, (computed).
- 46- Nev. Supt. of Pub. Instruction, 1918, p. 6.
- 44- Nev. School Code, 1919, p.43, sec. 126.
- 45- Ibid., p.67, sec. 203.
- 47- N.H. Supt. of Public Instruction Report, 1918, Appendix p.69.
- 48- N.J. School Laws, 1918, p. 170, sec.329.
- 49- Ibid., p.169, sec.216.
- 50- U.S.Bureau of Education Bulletin, 1920, No. 11, p.93, col.8.
- 51- N.J. School Report, 1918, p.153.
- 52- N.Mex. School Laws, 1915, p.26.
- 53- N.Mex. School Laws, 1919, p.72.
- 54- N.Mex. Supt. of Pub. Instruction Report, 1918, p.23.
- 55- N.Dak. General School Laws, 1917, p.28, sec. 1195.
- 56- Ibid., sec. 1342 on p.2 of 1917 legislation.
- 57- N.Dak. Supt. of Pub. Instruction Report, 1918, p.42.

- 58- Ohio Auditor's Report, 1919, p.69.
- 59- Ohio Supt. of Pub. Instruction Report, 1918, p.9.
- 60- Ibid., p.43.
- 61- Ibid., p.51.
- 62- Tenn. Public School Laws, 1920, p.6, sec.7.
- 63- Ibid., p.100, sec.1.
- 64- Tenn. Supt. of Pub. Instruction Report, 1917-18, p.21.
- 65- Tex. Supt. of Pub. Instruction Report, 1916-18, p.564.
- 66- Tex. Public School Laws, 1917, p.34, sec.71.
- 67- Tex. Public School Bulltetin, 1918-19, p.45.
- 68- Tex. Supt. Of Pub Instruction Report,1916-18, p.583.
- 69- Utah School Laws, 1919, p.946, sec.4674.
- 70- Ibid., p.956, sec.4740, and supplemental sheets p.14. Utah has a part time school law which provides that a person 16 to 18 years of age "must attend school 30 weeks peryear unless legally excused to work". In the latter case he must attend part time schools 144 hours per year.
- 71- Utah Supt of Pub. Instruction Report, 1918, Supplementary Statistics and Financial Tables. p.2.
- 72- Ibid., p.4.
- 73- Bureau of Education Bulletin, 1920, No.11, p.100, Table 26, col.5.
- 74- Ibid. p.90, cols. 4, 6.
- 75- Vt. Board of Education Report, 1918, p.41.
- 76- Va. School Laws, 1920, p.59, sec. 13 (a).
- 77- Ibid., p.58 (n).
- 78- Va. Supt. of Public Instruction Report, 1918, p.69.
- 79- Wash. School Laws, 1917, p.44, sec. 137, p.161, sec. 508.
- 80- Ibid., p.155, sec.487.
- 81- Wash. Supt. of Pub. Instruction Report, 1918, p.198.
- 82- Ibid.
- 83- W.Va. School Laws, 1920, p.25, sec. 54.
- 84- Ibid., pp.46, 48. W.Va. too, is increasing the length of the compulsory attendance period. Those between the ages of 14 and 16 not regularly engaged 6 hours perday must attend school.

- 85- W.Va. State Supt. of Schools Report, 1918, p.74.
- 86- Wis. Common School Laws, 1919, p. 185, sec. 4.
- 87- Ibid., p. 445, sec. 40. 73.
- 88- Wis. State Dept. of Education Report, 1918-19, p. 158.
- 89- Ibid., p. 161.
- 90- Wyo. Board of Education, 1918, p.82.
- 91- Ibid., p.81.
- 92- Calif. Supt. of Pub. Instruction Report, 1919-1920, p. 187.
- 93- Calif. School Laws, 1919, p. 133, sec. 1662. Age is 4-21 if there are kindergartens.
- 94- Ibid.,p. 138.
- 95- Mass. Board of Education Report, 1917-1918 total of cols. 8, 11, and 14. p. clxxxii.
- 96- Ibid., col. 19 p.clxxxii.
- 97- Ibid., col. 21 p. clxxxii.
- 98- Mass. General Acts, 1915, Chap. 81; Ibid., 1919, Chap. 281. - (14-16 for those unable to read as well as sixth graders)
- 99- N.Car. Public School Laws, 1919, p.23, sec.5740, p.3, sec.2.
- 100- N.Car. New School Legislation, 1919, p. 13, sec.1.
- 101- N.Car. Supt. of Pub. Instruction Report, 1916-18, p.40.

An analysis of Table 18 shows the median percentage of the census enrolled in these 29 states to be 73. The highest percentage with one exception is found in states, like Massachusetts, having low census ages. The exception to the rule is Texas, where the state contribution supplies 41 per cent of the total school revenues. The median enrollment in this group of states is approximately 74 per cent ideal. There is slight relation between state share in public school support and ideal attendance for the mean ideal percentage of five states contributing under 18 per cent of total expenditures for schools is 71 3/5 per cent as against 75 1/5 per cent for states contributing over 45 per cent. Arizona and California, the two states showing according to Table 18, an enrollment superior to the ideal, contributed from the state treasury less than 25 per cent of the total expenditures for schools. States like Louisiana and New Hampshire having the lowest relation to the ideal attendance, likewise contributed only minor portions of the total school support from state sources. Some of these states gained their state school revenue almost entirely from taxes; some gained theirs from appropriations; thus, no distinction can be made on the basis of the source of the revenue contributed by the state towards public school support. The median percentage of the enrollment in average daily attendance in 71. Here we find that apparently the less aid the state gave the better the attendance of the pupils enrolled for: Alabama and New Mexico where the state treasury is the chief source of moneys for local school support rank lowest in percentage of the children enrolled found to be in average daily attendance. On the other hand, Indiana, New Hampshire, and Ohio, where the state contribution is only a minor part of the total expenditure, rank highest according to the same standard. The relation of average attendance to ideal attendance is somewhat similar to the rela-

tion of average attendance to enrollment. The median is at 53 per cent. States contributing small amounts of the total school revenues are found at the top of the list and those contributing large percentages are at the bottom of the list. This is exactly the condition we were led to expect at the beginning of the chapter.

Cost of Education as a Standard: We shall next consider the relation of the state share in educational expenditures to the per capita costs of education. It must be noted beforehand that there seems to be practically no connection between total expenditures for education and total percentage furnished by the state. The expenditures of each of our states per child enrolled and per child in average daily attendance, together with the rank of the state in this respect among the 48 will be found in Table 19.

TABLE 19. SCHOOL COSTS.

State	Rank in Union Acc'ding to tot. Receipts	Rank in Union Acc'ding to state percentage share in support	Expenditure per child enrolled ¹ Dollars	Rank in Union	Expenditure per average daily attendance ² Dollars	Rank in Union
Ohio	3	39	53.05	8	59.46	21
Calif.	6	18	56.61	4	79.40	5
N.J.	7	5	53.79 ^f	7	71.37 ^g	9
Mass.	8	44	49.28	14	59.99	19
Minn.	10	12	51.19	12	66.89	14
Texas	11	7	22.35 ^j	38	31.15	38
Ind.	12	25	48.88	17	52.71	28
Wis.	13	24	39.29	30	49.53	31
Wash.	17	20	61.31 ^k	2	82.70 ^k	4
N. Dak.	23	28	58.88 ^h	3	82.90 ⁱ	3
Va.	24	11	17.26	40	25.45	41
W.Va.	25	36	24.58 ^l	37	34.38 ^l	37
Ky.	26	4	15.67	41	26.53	39
La.	27	16	18.49 ^a	39	25.78 ^a	40
N.Car.	30	27	10.32	47	15.77	47
Tenn.	31	23	13.02	42	18.97	43
Ga.	32	2	11.80	44	17.25 ^c	45
Ala.	33	1	10.57	46	17.76	44
Fla.	35	17	24.63 ^b	36	35.23 ^b	36
Utah	36	9	48.61	19	62.30	17
Ark.	37	13	10.82	45	16.70	46
Me.	39	6	31.48	33	38.96	34
N.Mex.	42	22	45.19	25	68.68	12
Ariz.	43	21	51.98	10	85.42	2

N.H.	44	41	47.54	22	59.58 ^e	20
Vt.	45	19	40.88	29	50.97	29
Wyo.	46	15	52.37	9	65.48	15
Del.	47	14	37.60 ^a	31	50.80 ^a	30
Nev.	48	8	55.28	5	76.94	7

FOOTNOTES.

- 1- Unless otherwise stated figures are from Statistics of State School Systems, 1917-1918, Table 57, p.148, total of cols. 10 and 11.
- 2- Ibid., cols. 12 and 13.
- 3- Based on Ibid., table 48, p.129, col. 9.
- 4- Computed from Ibid., Table 44, p.122, col.2.
- a- Del. Annual Reports, 1917-19, p.88.
- b- Fla. Supt. of Public Instruction Report, 1918, p.28.
- c- Ga. Dept. of Education Report, 1919, p.481.
- d- Louisiana furnishes us with a fine example of the way the moneys for education are distributed between the whites and the blacks in the southern states. The state constitutions say there shall be free education for all, but what an education the blacks must receive! The expenditure per negro child enrolled is \$4.60, per white child enrolled is \$26.65; the expenditure per negro child in average daily attendance is \$6.44, per white child average daily attendance \$38.63. - Public School Situation in Louisiana, 1918-19, pp.32,33.
- e- \$50.71 according to N.H. Supt. of Pub. Instr. Report, 1918, Appendix p.71.
- f- \$38.69 says N.J. School Report, 1918, p.153.
- g- Ibid., says \$51.30.
- h- \$55.41 given in N.Dak. Supt. of Pub. Instr. Report, 1918, p.83.
- i- Ibid., gives \$73.48.
- j- Tex. Supt. Pub. Inst. Report, 1916-1918, p.603 gives cost \$18.62.
- k- Wash. Supt. Pub. Inst. Report, 1918, p.211.
- l- W.Va. State Supt. of Schools Report, 1918, p. 74.

There is a very close connection between the rank of the state in expenditure per child enrolled and rank in expenditure per child in average daily attendance. However, except in the cases of New Jersey, Minnesota, West Virginia, Wyoming and Nevada there is no appreciably close relation between state share and expenditure per child enrolled or in average attendance. We find the median expenditure per child enrolled to be \$37.00, the maximum \$61.00 and the minimum \$10.00. Geographical location determines the total expenditures for the three states expending the most per child enrolled are either in the north central or the western group of states and the three states spending the least are in the southern group of states. The median expenditure per child in average attendance is \$50.00 per child per year. Here, as before, geographic location determines the expenditure for the southern states rank very low and the central and western states rank high. The explanation for this, of course, may be found in the indifference of the local units and their consequent failure to provide money for schools beyond the amount received from the State.

Taxable Valuation of the State and Total Value of School Property as Standards: We may now consider the relations between the taxable valuation of the state, value of school property and rank according to percentage of total school moneys furnished by the state. In order to facilitate this comparison Table 20 is here inserted.

TABLE 20. RELATION OF THE TOTAL TAXABLE WEALTH OF 29 STATES
TO THE TOTAL VALUATION OF SCHOOL PROPERTY AND TO THE PER-
CENTAGE OF SCHOOL REVENUES FURNISHED BY THE STATE

State	Taxable Valuation of State *	Rank	Valuation of School Property	Rank	Rank According to Percentage of tot- al school moneys furnished by the state
Ala.	2,050,014,767	15	15,501,349 ^a	166	1
Ariz.	487,099,365	26	5,115,802 ^a	25	21
Ark.	1,757,533,699	18	13,908,117 ^a	20	13
Calif.	8,023,435,581	2	77,016,516 ^c	4	18
Del.	293,721,979	29	2,228,220 ^a	29	14
Fla.	1,014,585,076	21	10,622,257 ^a	22	17
Ga.	2,299,197,590	10	21,287,470 ^d	11	2
Ind.	4,951,061,490	7	67,675,607 ^a	5	25
Ky.	2,152,097,565	13	22,860,990 ^a	10	4
La.	2,056,572,346	14	17,426,164 ^e	14	16
Me.	1,030,366,547	20	15,442,027 ^f	17	6
Mass.	5,735,230,115	4	94,608,586 ^g	2	44
Minn.	5,266,950,787	6	63,117,181 ^a	6	12
Nev.	441,382,827	27	2,419,645 ^a	28	8
N.H.	613,441,572	23	7,244,229 ^a	23	41
N.J.	5,361,917,422	5	79,999,965 ^h	3	5
N.M.	501,627,424	24	4,479,271 ⁱ	26	22
N.Car.	1,745,233,696	19	14,303,503 ^j	19	27
N.Dak.	2,037,626,024	16	14,735,598 ^k	18	28
Ohio	9,602,153,644 ^b	1	128,261,544 ^l	1	39
Tenn.	1,834,354,927	17	16,857,960 ^a	15	23
Texas	6,552,242,164,	3	48,872,283 ^m	8	7

Utah	734,811,880	22	12,865,451 ^a	21	9
Vt.	496,935,964	25	5,123,186 ^a	24	19
Va.	2,174,685,192	12	18,862,354 ^a	13	11
Wash.	3,054,690,780	9	36,596,668 ⁿ	9	20
W.Va.	2,179,527,639	11	20,245,822 ^o	12	36
Wis.	4,282,454,539	8	60,000,000 ^a	7	24
Wyo.	344,834,812	28	3,486,248 ^a	27,	15

FOOTNOTES

- * Statistics of State School Systems 1917-1918, U.S. Bureau of Education - Bull. 1920, No. 11, p. 153, Table 60, col. 2.
- a- Ibid, pp.117-118, Table 41, col. 10
- b- Ohio Report of the Tax Commission, 1919, p. 150.
- c- Calif. Supt. of Pub. Instruction Report, 1919-20, p. 189.
- d- Ga. Dept. of Educ. Report, 1919, p. 486.
- e- The Public School Situation in Louisiana 1918-1919, p. 31.
- f- Computed from Me. State Supt. of Public Schools Report, 1918, p pp.136, 202.
- g- Mass. Board of Educ. Report, 1917-1918, p.cxcix, col. 156.
- h- N.J. School Report, 1918, p. 156
- i- N. Mex. Supt. of Pub. Instruction Report, 1918, p. 23.
- j- N.Car. Supt. of Pub. Instruction Report, 1916-18, p. 9.
- k- N. Dak. Supt of Pub. Instruction Report, 1918, p. 82.
- l- Ohio Supt. of Pub. Instruction Report, 1918, p. 13.
- m- Texas Supt. of Pub. Instruction Report, 1916-18, p. 643
- n- Wash. Supt. of Pub. Instruction Report, 1918, p. 251.
- o- W.Va. State Supt. of Schools Report, 1918, p. 74.

It will be noted that there is a very high correlation between the rank of the state according to its taxable valuation and its rank according to the valuation of school property, On the other hand, the fact that neither of these two rankings closely approximates the ranking of the state according to the percentage of total school moneys furnished by the state would seem to indicate that the total state valuation has little to do with the state share in educational expenditures. Likewise, we find by reference to Table 17 that there is just as great likelihood that a state with a low rate of state school tax will spend a great deal on permanent improvements for schools as there is that a state with a high rate of state school tax will do so.

Teachers' Salary, Number of Pupils per Teacher, and Length of School Term as Standards: We shall now turn to Table 21 which presents the relations existing between the state's rankings on the bases of total educational receipts, percentage furnished by the state, and average annual salary of teachers. From this same table we may judge the connection between the number of pupils per teacher, average length of school year, and state share in expenditures.

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