Tax inequalities in Montana, an analysis of the tax burden in Montana as shown by state income tax returns, 1936

by Winfield G OLeary

A THESIS Submitted to the Graduate Committee in partial fulfillment of the requirements for the Degree of Master of Science in Agricultural Economies
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Abstract:
It has been the purpose of this study to point out Inequalities in the distribution of the burden of taxation to persons in the different occupations within the state. The criterion upon which the comparisons between the occupations were made was the ability to pay principle of taxation. Net incomee was used as the measure of ability to pay. Although the results cannot be considered without qualification. because of the fact that they apply only to those filing state income tax returns, the results may be regarded as being very representative of the true situation.

Is the ease of the state income tax, as might be expected. It was found that the tax conformed very closely to the principle of ability to pays i.e., not only did those receiving higher incomes pay a higher rate of taxes, but also the people in the occupations receiving the higher proportion of total income paid the higher proportion of the total income tax.

In the case of taxes other than income taxes, however, the condition was found to be quite different. There was found to be very little evidence of conformity of this system in which property is the tax base, to the principle of ability to pay. It was found that the rates of these taxes varied among the occupations from 1.8 per cent to 22.5 per cent of the net income. Furthermore, it was found that there was no correlation between the size of income, or the ability to pay, end the rates of taxes paid by the peoples in the different occupations# Because of this failure of the system to conform to the principle of ability to pay, the tax burden is extremely heavy for those people who receive their incomes from property investment, namely the business and Investor groups, the extreme being reached in the case of the farmers, while for those who receive their Incomes as salaries and wages, the tax burden is extremely light.

The proportion of the total taxes for the state made up of income taxes was found to be only 1.5 per cent. Thus, it is obvious that when the income taxes and other taxes were added together, the results obtained were almost identical with the results pointed out for taxes other than income taxes; i.e., the total tax burden was found to be very unequally divided between these people whose incomes come from property and those whose incomes come from salaries and wages. Thus, In conclusion, it may be stated that the principle of ability to pay is quite foreign to this tax system, and that there exists grave discrepancies in the distribution of the tax burden among the peoples in the different occupations of the state#

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An Analysis of the Tax Burden in Montana
As Shown by State Income Tax Returns, 1936

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Submitted to the Graduate Committee
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June, 1939

ACKNOWLEDGMENTS

The author is indebted to Dr. R. R. Renne for his careful guidance and supervision in preparation of this study, and to the Department of Agricultural Economics for furnishing clerical assistance in compiling the data.

The author wishes also to acknowledge the assistance of the Works Progress Administration, Projects O.P. 465-91-3-123 (WP 2353), for assisting in gathering and compiling the data used, and for the preparation of the charts used in this thesis.

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ABSTRACT

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TAX INEQUALITIES IN MONTANA

An Analysis of the Tax Burden in Montana
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INTRODUCTION

Ability to Pay as a Principle in Taxation

The main problem of fair taxation is to distribute the tax so it will produce ample revenue and at the same time place as light a burden as possible on the taxpayers. To accomplish this result, the problem narrows down to that of distributing the burden to each individual in accordance with his ability to pay.

This principle was recognized by Adam Smith over one hundred and fifty years ago as a basis for justice and equality in taxation.1/ Other theories of taxation have been advanced since that time, some of which merit consideration, but no one has ever suggested that taxes should not be levied according to the tax paying ability of the taxpayer.

In earlier days the property tax was not unjust, nor did it rest unequally upon the shoulders of those who paid it. Property was an indication or measure of ability to pay and did not violate the fundamental principle of a just system of public finance.2/ This is not the situation at the present time. Property not only fails to represent ability to pay but in many instances is a drain upon income derived from sources other than property. Although this condition is recognized by many authorities

1/ Smith, Adam, "The Wealth of Nations," Everymen's Edition, London, 1910, Vol. 11, p. 307

2/ Aull, G. H., "Taxation and Ability to Pay in South Carolina," S.C. Agric. Exp. Sta. Bul. 286, 1932, p. 5.

upon the subject of taxation, it is of interest to note that 70.1 per cent of the total tax revenue of the United States in 1930 was from this source.3/ In contrast to this condition, it is further pointed out that in 1932, property accounted for only about one-fourth of the national income of the United States.4/

Income as a Measure of Ability to Pay

Of the many proposed tax bases, income is the most equitable and satisfactory criterion or measure of ability to pay of any yet advanced. It is based upon a present reality as compared with a future probability in the case of a property tax base. When an individual has income, he possesses tax paying ability. He is then in a position to pay taxes, and can do so without financial injury to his person or to his business. Under this system, uncertainties are removed from the taxing problem, tax delinquencies and sheriff's deeds do not occur. Those who are unable to pay are not asked to do so, while those who are, do pay and to the same extent of their ability.

In contrast to this situation is the general property tax, which is distinctively impersonal. Taxes are levied upon property without regard to the net worth or the economic status of its possessor. Property values are based upon anticipated income which the property will yield. In the event that this anticipation is incorrect, which very often is the case, the taxpayers must bear the consequence. Because of this situation, inequalities and discriminations inevitably occur. Some persons lose their property and homes or are burdened with tax loads which absorb their income, while others

3/ Jensen, Jens P., "Government Finance," New York, 1938, p. 223.

4/ Aull, op. cit. p. 7.

may pay very little in proportion to the incomes which they receive.

These inequalities which result from a property tax base, or a single tax base, are gaining wide spread recognition. As a result many of the states, also the Federal Government, are coming to use, as a supplementary tax, a tax based upon net income. In 1936 a general personal income tax was in operation in twenty-eight of the forty-eight states.5/

Purpose and Method of Analysis

It is the purpose of this study to point out any inequalities or discriminations existing in regard to the tax burden between the different occupational groups within the state. This includes comparison of average net incomes received by those in the different groups, average money per person dependent upon their incomes as well as comparisons of total net incomes for the groups. Comparisons will then be made between the relation of these incomes and the tax burden borne by each. This will consist of comparisons of the total and average taxes paid for each occupation and finally the average rates of taxes, both of income taxes and taxes, other than income taxes paid by the different occupational groups. By this means of comparison it will be possible also to compare relative merits of the state income tax with other forms of taxation.

Although all facts will be presented as found in the analysis, primary emphasis will be given to the condition of the farmers in respect to the above mentioned phases. This course is pursued without bias between the different occupations within the state, but because of special interest

5/ Jensen, op. cit. p. 7

by the author in this group.

As has been previously stated, the data used in this study are for only one year. It had been originally planned to cover the entire period for which the income tax law has been in operation, 1933-38, thereby making comparisons between the years and showing any general trends over the period. But due to lack of time and clerical assistance in compiling the data, only one year could be covered. In order to obtain as large a sample and to include as large a proportion of the total population of the state as possible in the sample, the entire income tax returns, both taxable and non-taxable for the year 1936 are included in the study.

As a basis of comparison that would be applicable to all occupations and to all persons filing income tax returns, net income was chosen as being the most satisfactory.6/ It is on this basis that all tax rates and other calculations are computed.

Source of Data and the Sample

The data used in this study were compiled entirely from the state individual income tax returns filed in Montana for the year, 1936. These forms were secured through the Department of Agricultural Economics from the State Board of Equalization in Helena. The entire returns for the year were used in the study; no method of sampling was employed in any respect. The study, therefore, constitutes a complete enumeration of its field, covering entirely the 1936 state income tax returns, which after removing some few that were incomplete and could not be identified, numbered 30,256.

6/ For a definition of net income see footnote on p. 12.

Although only one year was used in the study, the year 1936 is considered as very normal. This is verified by the index of Wholesale Prices for this year as compared to the years 1909-14 and 1926, the two most widely used base periods for index calculations. When 1926 is used as the base period, the index of wholesale prices for 1936 is found to be 80, while this index for the period 1909-14 was 69. If the base period be shifted to 1909-14, this for 1936 is found to be 118, while for 1926 it is 146. In either case the index for 1936 is near the center of the extremes marked by the other years. If the index of wholesale prices be an indicator of business conditions, these results indicate that this year is nearer an average and therefore nearer normal than either of the other periods. The same relation is found to exist between these years for United States farm wage rates, United States Farm Prices and Montana Farm Prices. For this reason and also the fact that the entire field was covered in the sample, the author is of the opinion that results here shown will be indicative of those over a longer period of time.

The Montana Income Tax Law

As a means of clarification and understanding of the basis upon which this study was made, some of the provisions and requirements of the state income tax law will be discussed. This law was enacted in the State of Montana by the twenty-third session of the Legislature in 1933.

Who shall file an income tax return? Every person having a net income, for the taxable year, of one thousand dollars ($1,000) or over, if single or if married, and not living with or supporting a husband or wife or family, or of two thousand dollars ($2,000) or over if married and living with a husband or wife, or if he is the head of a family, or a gross income 7/ of twenty-five hundred dollars ($2,500) or over, regardless of his net income.8/

Personal exemptions allowed under the law:

1. In the case of a single person or of a married person not living with or supporting a husband or wife or family, a personal exemption of one thousand ($1,000) dollars.9/

2. In the case of the head of a family or a married person living with a husband or wife, a personal exemption of two thousand dollars ($2,000).

7/ Gross income is ordinarily understood to mean all gains, profits and income derived from salaries, wages and compensation for personal services; also from rents, dividends, securities or the transaction of any business carried on for profit. Certain exceptions are made to this, however, under the income tax law because of certain incomes which are exempt from taxation under this law, such as: (1) the proceeds from life insurance policies whether received by the beneficiary upon the occasion of death of the insured, or received by the insured in return of premiums paid by him under endowment insurance policies or annuity contracts. (2) The refunds in the form of patronage dividends payed to share holders of consumers' co-operatives. (3) Salaries, wages and other compensation received from the United States Government.

8/ Net income, as used in this study and upon which the income tax is imposed, is found to be quite different from that ordinarily used in the field of business. In addition to the deductions from gross income as generally used in its computation, such as losses from fire, storms, etc., not compensated for by insurance, bad debts, reasonable depreciations of property, all necessary and ordinary expense incurred in the operation of a business; certain other deductions are allowed such as: (1) all taxes other than those imposed by this act, with the exception of improvement taxes; (2) all interest payed or accrued during the year on indebtedness; (3) all contributions made to any political unit of the United States for public purposes, or war veterans organizations, or fraternal organizations operating under the lodge system.

9/ "The Revised Codes of Montana," Helena, 1935, Vol. I, Chap. 204.

A husband or wife living together shall receive but one exemption, the amount of which shall be two thousand dollars ($2,000). If such husband and wife make separate returns the personal exemption shall be divided equally between them.

3. Three hundred dollars ($300) for each person, other than husband and wife, dependent upon and receiving his chief support from the taxpayer, if such dependent person is under eighteen (18) years of age or is incapable of self-support because mentally or physically defective.

4. In case of a change in the family status of the taxpayer during the taxable year, an exemption which bears a ratio to one thousand dollars ($1,000) for each month he was unmarried shall be allowed plus an amount which bears the same ratio to two thousand dollars ($2,000) as the number of months which the person was married and living with a husband or wife.10/

From the requirements as to who shall file an income tax return and the provisions made for personal exemptions, both given above, it may be seen that there will be a great number of returns made on which the allowed exemptions will exceed the net income, and therefore on which no tax will be paid. This gives the basis for classifying the returns as to taxable and non-taxable returns as used in this study. The proportions for the year 1936 were on 66.3 per cent taxable returns and on 33.7 per cent non-taxable.

The State Income Tax Rates

The law states, "There shall be levied, collected and paid for each taxable year upon the net income of every individual subject to this tax,

10/ "The Revised Codes of Montana", Loc. Cit. p. 12.

after making allowance for exemptions and deductions, as herein-after provided, a tax at the following rates, to-wit:

(a) on the first two thousand dollars ($2,000) of net income, or any part thereof, at the rate of one per centum (1%);

(b) on the second two thousand dollars ($2,000) of net income, or any part thereof at the rate of two per centum (2%);

(c) on the third two thousand dollars ($2,000) of net income, or any part thereof, at the rate of three per centum (3%);

(d) on any net income in excess of six thousand dollars ($6,000) at the rate of four per centum (4%). 11/

It is interesting to observe, at this point, that under the provisions of the state income tax law, there exists a debatable condition in the system. This is in regard to the income method of personal exemptions.12/ When these exemptions are subtracted from the net incomes, these net incomes are lowered by this amount, thus each tends to fall into a lower bracket in which the rates are lower. The amounts paid by those having large incomes are, because of the progressive rates, affected more by this than those having lower incomes. If the rates of these taxes continued to increase to a high degree, as those of the Federal income tax law, the rates would be rendered less progressive. There would then be a discrimination in favor of the persons having the larger incomes. But when the rates increase only to four per cent (4%), as in the Montana income tax law, this condition ceases to be true. The reverse becomes true--the tax rates are rendered more progressive through

11/ "The Revised Codes of Montana", Loc. Cit. P. 12.

12/ Jensen, op, cit. p. 7.

this type of exemption than through the alternative method. If then there be any flaw in the system, it is due to the fact that the tax rates rise to only four per cent (4%) and not because of the method of personal exemptions, for this method of exemption, under the tax rate limits, renders the rates more progressive than would be true of the other method of making exemptions and therefore causes the system to better conform to the principle of ability to pay.

The alternative method of making personal exemptions under the income tax law is illustrated by that of the State of Iowa. The tax rates there rise to only five per cent, so that the method of making personal exemptions, unlike that of Montana, does render the tax rates less progressive. Under their system the law is made to apply to those having smaller incomes, and the personal exemptions are made in the form of a flat sum deduction from the amount of imposed tax.13/ Specifically stated it is thus: Every individual shall file an income tax return who is single, or married and not living with or supporting a husband or wife or family and whose net income is six hundred dollars ($600) or over, or who is married and living with and supporting a husband or wife or family, and whose net income is eleven hundred dollars ($1100) or over, or anyone whose gross income is three thousand dollars ($3000) regardless of his net income. The personal exemptions, made in the form of deductions from the amount of imposed tax are: (1) for an individual who is single, or married and not living with and supporting a husband,

13/ Reid, Margaret G. and Britton, Virginia, "Iowa Incomes as Reported in Income Tax Returns," Research Bulletin 236, Ames, Iowa, June, 1936, p. 131.

wife or family, six dollars ($6); (2) for an individual who is married and living with and supporting a husband or wife or who is the head of a family, twelve dollars ($12); (3) for each child who is under twenty-one years of age (21) or others who are mentally or physically incapable of self-support and actually dependent upon the taxpayer, two dollars ($2).

Limitations of Data

Before proceeding further into the study, there are certain limitations to the suitability of the data used to this type of analysis that should be pointed out. Although no feasible and satisfactory means could be employed to eliminate these weaknesses, they should be borne in mind and given due consideration in the results herein shown.

The first of these that should be mentioned is the fact that the data included only the upper segments of the income earning population. This condition seems quite obvious when one recalls the requirements of the law as to who shall file an income tax return. This limitation is, however, in part compensated for by the fact that for the period covered, slightly over one-third of the returns were non-taxable; which means that these respective incomes were equal to, or less than, the allowed exemptions. So, even though the sample covered is from the top segments downward, it descends to a fairly low level. It might be more correctly stated that the sample includes all but the lowest segment of the income earning population.

Another limitation worthy of mention is the fact that there are inevitably some small and irregular incomes which are not listed in the income tax returns, and which of course escape taxation. This condition occurs as a result of there being no way for the government to check on individual incomes other than those from regular sources and occupations. It should be added further that not all of these irregular incomes as missed from the listing are due to willful evasion by the people, but in the majority of the cases in which this is expected to occur, mainly that of small businesses and of laboring peoples, very inadequate records, or no records at all, are kept. Thus many small items would be unintentionally omitted.

The third limitation that should be mentioned is one of technicality, as applied to this study. It is that of being unable to separate the incomes entirely as to source. In the form used, several spaces are provided for the listing of incomes by type; i.e., according to salaries, wages, business profession, or rents and dividends. The occupation of the person making each return was then listed. In some instances these incomes were broken down as to type, but in others they were listed as being of one type and source which in some cases made for extremely large salaries and wages which led one to doubt this as being the true situation. The alternative employed was to classify each return under one type and source of income as shown by the largest single item of income. This is explained more fully under the method of analysis.

Finally, there is a limitation to the use of net income as a basis for comparing the well being of farmers with that of other businesses or occupations. Farmers have less living expenses than that of people in most other occupations due to the fact that in case of a rented farm the house is furnished free from rent, water for home use is generally furnished free from cost, and the farmer usually raises much of his own food. For these reasons, the farmer may have a higher level of well being and still have a considerably lower net income than that of most other occupations. Because of this situation, the low net incomes of farmers may present a somewhat false picture. This fact should be borne in mind and given due consideration when making comparisons between the well being of farmers, on an income basis, and that of other occupations. Net income is also subject to a limitation when used as a means to compare the well being of landlords and investors with that of other occupations under the income tax law. All money spent for payment of interest is exempted from the state income tax, while that spent in payment of rent is not exempted. For this reason there is a heavier tax imposed on the incomes of people in other businesses who pay rent than there is on the incomes of landlords and investors who make their payments for borrowed capital mainly in the form of interest.

CHARACTERISTICS OF 1936 MONTANA INCOME TAX RETURNS

Number of Returns and Proportion of Population Filing

The total number of state income tax returns for Montana in 1936 was found to be 30,256. Of this number, the proportion of taxable returns was 66.3 per cent and that of non-taxable, 33.7 per cent, being almost perfectly divided into the ratio of 2 to 1. 14/ According to the mid-year estimate of population of 531,000, which was given in the Statistical Abstract of the United States for Montana, in 1936, the proportion of population filing state income tax returns was calculated as 5.6 per cent.

In Iowa the proportion of population filing state returns in 1934 was 7.6 per cent, of which slightly less than two thirds were taxable. 15/ This would seem to indicate that incomes are on the average higher in Iowa than in Montana, but this is untrue, for the average net income for those filing returns in Montana was $2,435, while that of Iowa was only $1,597. The reason for this condition is made clear when one remembers that, as given earlier in comparisons of the two income tax laws, in Iowa the income tax law begins to apply at a lower figure. This helps explain why the average net income shown for Iowa is so much below that of Montana. But another very obvious reason for this is the fact that a much higher proportion of the income tax returns in Iowa are filed by farmers than in Montana, and in Iowa as in Montana the average net income of farmers is much below that of other occupations.

14/ It will be remembered that a return is classified as non-taxable when the amount of allowed exemptions equals or exceeds the amount of net income.

15/ Reid and Britton, op. cit. p. 15.

TABLE I. STATE INCOME TAX RETURNS CLASSIFIED ACCORDING TO TYPE OF RETURN AND ACCORDING TO OCCUPATION, MONTANA, 1936

Occupation	No. of Returns	No. Of Taxable Returns	No. of Non-Taxable Returns	Per cent of Returns Taxable
Business				
Farms, dairies & ranches	1,659	594	1,065	35.8
Retail and wholesale	2,121	1,210	911	57.0
Cafes and hotels	374	194	180	51.9
Gas, oil and garage	503	291	212	57.8
Insurance and Real estate	102	73	29	71.6
Other business	610	399	211	65.4
Total business	5,369	2,761	2,608	51.4
Professional				
Doctors, dentists, etc.	558	437	121	78.3
Educators	2,000	1,626	374	81.3
Lawyers	308	235	73	76.3
Other Professional	241	194	47	80.5
Total professional	3,107	2,492	615	80.2
Employees				
Farms, dairies & ranches	276	155	121	56.2
Mining	3,705	2,595	1,110	70.0
Lumbering	361	279	82	77.3
Manufacturing	559	405	154	72.4
Motors, garages, etc.	680	472	208	69.4
Construction	417	302	115	72.4
Government	2,310	1,523	787	65.9
Retail	2,477	1,743	734	70.4
Wholesale	1,051	789	262	75.1
Gas, oil, and refining	603	413	190	68.5
Bank-	416	304	112	73.1
Ins., R. E. & Finance	616	423	193	68.7
Cafes, and hotels	210	157	53	74.8
Transportation & Commun.	4,477	2,851	1,626	63.7
Power, gas & water	1,006	656	350	65.2
Newspapers & printing	536	339	197	63.2
Other employees	502	384	118	76.5
Total employees	20,202	13,790	6,412	68.3
Investors	1,578	1,010	568	64.0
Totals	30,256	20,053	10,203	66.3

Size of Incomes

The average net income for all occupations and for both taxable and non-taxable returns was $2,435 in 1936 for the state. This figure is very typical of all the incomes, for as may be seen from table II, the income class in which it falls is the distinctive modal class. In this class, which ranges from $2,000 to $2,999.9, 30.5 per cent of the total incomes fall. It may be seen, however, that there are almost three times as many of the remaining individual incomes below the modal class, or class in which the arithmetic average falls, as there are above it. This condition indicates that there is to a marked degree unequal distribution of income among those filing returns. The same condition could be expressed by saying that, after removing the 30.5 per cent of those whose incomes fall within the modal class, there would be three individuals below this class to one above it with the same total aggregate income; i.e., the average net income for those above is three times that for the individual below the modal class. This fact may be more readily comprehended by noting from table II that 2 per cent of all those filing returns had a net loss, 3.7 per cent had a net income of less than $500, 7.9 per sent less than $1,000, and 50.1 per cent less than $2,000, while for the remaining 49.9 per cent the net income was $2,000 or above.

When given these facts as an average for both taxable and non-taxable returns, one naturally wonders how each would differ from this average. The average net income for all non-taxable returns is found to be less than one-half that of the taxable ones. These figures are $2,935 and

$1,452 for the taxable and non-taxable returns, respectively. Table II also shows that the net incomes of the non-taxable returns are clustered into the lower income brackets, with very few cases appearing above the bracket, $2,000 to $3,000. This condition is expected because the allowed personal exemptions seldom exceed this range. At this point, one might question the possibility of a non-taxable return ever reaching the high income brackets, as is shown in table II. This condition arises from the fact that all incomes received from the Federal Government, and those received as proceeds from life insurance policies are exempted from the state income tax, also from the fact that all contributions made to any political division of the United States for public purposes, and all contributions made to any fraternal organization operating under the lodge system or to war veterans' organizations are allowed as deductions when computing net income.

As for the taxable returns, it may be seen from table II that they tend toward the higher income brackets, and seldom is there one found below the $1,000 mark. This is readily comprehended by reference again to the allowed personal exemptions under the law. The few returns that are found below the $1,000 mark occur as a result of a person residing in the state for a fractional part of the taxable year, in which case the exemptions are prorated on a monthly basis in proportion to that allowed for the year.

Total Income, Income Taxes and Total Taxes As Shown in Income Tax Returns

The total net income for those filing income tax returns in Montana for 1936 was $73,668,931. Of this amount, $58,854,584 or 79.8

TABLE II. STATE INCOME TAX RETURNS CLASSIFIED ACCORDING TO TYPE OF RETURNS AND SIZE OF NET INCOME, MONTANA, 1936.

Class Intervals (Dollars)	Non-Taxable Returns	Taxable Returns	Total Returns	Per Cent Of Total Returns
$ Net Loss	613	—	613	2.0
0 - 249.9	218	—	218	.7
250 - 499.9	293	2	295	1.0
500 - 749.9	357	1	358	1.2
750 - 999.9	892	2	894	3.0
1,000 - 1,499.9	1,878	5,575	7,453	24.7
1,500 - 1,999.9	2,597	2,677	5,274	17.5
2,000 - 2,999.9	3,249	5,994	9,243	30.5
3,000 - 3,999.9	100	2,838	2,938	9.7
4,000 - 4,999.9	4	1,151	1,155	3.8
5,000 - 5,999.9	1	620	621	2.0
6,000 - 6,999.9	—	362	362	1.2
7,000 - 7,999.9	—	238	238	.8
8,000 - 8,999.9	—	196	196	.6
9,000 - 9,999.9	—	73	73	.2
10,000 or Over	1	324	325	1.1

per cent was from persons having taxable incomes, while $14,814,347 or 20.1 per cent was from those having non-taxable incomes.

The total income tax shown as paid on those incomes was $488,958. Thus when calculated from these figures, the average proportion of net income absorbed in income taxes for all persons filing returns was 0.7 per cent. This rate seems extremely low, but it is to be remembered that all the income taxes are paid by those having taxable incomes, so that for those who pay the income tax the average proportion of net income absorbed in taxes is raised to 0.8 per cent.

The total taxes, other than income taxes, as shown in these returns in 1936, was $4,215,592. Dividing this figure by the total net income as shown for the year, the average proportion of net income for all those filing returns, required for payment of other taxes is found to be 5.7 per cent. By adding the two tax rates together it may be seen that the proportion of net income required for payment of all taxes is 6.4 per cent. These rates when prorated equally for all persons are found to be quite low, and seemingly there would be no cause for alarm over the tax burden, but, as will be shown later in the study, these rates are not prorated equally to persons in different occupations, and on some the tax burden is a difficult load.

The question no doubt has arisen in the mind of the reader, as to what proportion of the total taxes paid in Montana in 1936 was included in the income tax returns, and as to what proportion of the total tax was made up of income taxes. The total tax levied for all purposes, exclusive of state income taxes, in 1936 was $32,070,500.16/ This figure also

16/ Seventh Biennial Report of the State Board of Equalization of Montana for the period, July 1, 1934 to June 30, 1936, Helena, 1936, p. 107.