

**THE FLOW OF STATE REVENUES**

**THE GENERAL FUND For Appropriations EARMARKED**

**THE FEDERAL GOVERNMENT**

**ACTIVITIES SUPPORTED BY EARMARKED REVENUES**

**NOTES:**

- Bones at top of chart indicate points of collection of revenue; those at bottom, points to which revenues are distributed.
- Relative proportions of revenue and expenditures are shown by width of vertical lines. Scale is approximately  $\frac{1}{8}$ " = \$4,000,000. Estimates shown are for the 1949-51 biennium.
- For simplification, certain smaller special accounts and funds have not been shown. For the same reason smaller agencies have been grouped in the same box in a few cases.
- The State Printing Board, Audits Division of the Secretary of State, Educational Agency for Surplus Property and Civil Service Commission are financed by assessments against agencies served.

\* The box "Misc. Agencies" includes relatively small agencies such as the Battleship Oregon Commission and Geographic Board and state supported agencies such as the Oregon Historical Society.

"Oregon's organization for revenue administration is largely decentralized," the committee reported. "The Tax Commission is the only state agency whose primary responsibility is tax administration and collection. Important revenue collections of various types com-

"The large number and variety of revenue producing methods, complicated further by problems of intergovernmental tax relationships, have resulted in a system which few understand and which makes sound public control of both taxation and governmental spending more difficult to achieve and which adds to administrative costs and problems." Discussing the practice of earmarking revenues in the financing of state activities, the committee indicated that some of this was necessary—such as special trust funds—but the general application of the practice tended to weaken budgetary control and to make for a rigidity which hampered prudent methods of balancing costs in financing state government services.

—Courtesy Oregon Newspapers Publishers Association

1, Chairman, Board of Directors

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