

Revised Estimated Surplus June 30, 1951, before tax reduction	\$8,311,925.27
Less: Estimated Loss from proposed sales tax reduc- tion effective Dec. 1, 1950, 52% of \$7,000,000.00..	3,640,000.00
Revised Estimated Surplus June 30, 1951, after tax reduction	\$4,671,925.27

You will bear in mind that the effect of the tax reductions now proposed will of course be carried forward through the fiscal year ending June 30, 1952, with the result that the estimated surplus as of June 30, 1951, in the amount of \$4,671,925.27 will at the end of the following fiscal year on June 30, 1952, be reduced to \$709,055.02.

The picture for the fiscal year 1952 is as follows:

1952 Adjustments

Estimated Revenues 1952

1951 Revenue Estimates (Fiscal Digest) \$73,153,328.75

Plus: Estimated increases over 1951

Sales and Use Tax.....	\$4,500,000.00	
Income Tax	3,999,500.00	
Alcoholic Beverages ..	725,000.00	
All Other	500,000.00	
		<u>\$9,724,500.00</u>

Estimated Revenues 1952 Fiscal Year..... \$82,877,828.75

Estimated Total Available..... \$87,549,754.02

Appropriations:

Actual 1951 Fiscal Year.....	\$80,340,699.00	
Less: Estimated Reversions.....	500,000.00	
		<u>79,840,699.00</u>

Estimated Surplus June 30, 1952, before proposed
Tax Reduction

\$ 7,709,055.02

Less: Estimated Loss from proposed Sales Tax Re-
duction 1952 Fiscal Year.....

7,000,000.00

Estimated General Fund Surplus June 30, 1952..... \$ 709,055.02

Recommendations for further tax reductions are not made because the new administration will be faced with requests for additional appropriations which will include not only requests for