

The National Outlook Federal Budget Balanced In 1963?

By RALPH ROBEY

As repeatedly promised, President Kennedy has submitted a balanced budget for the fiscal year starting next July 1. But it is a most curious balance.

Expenditures are projected at \$92.5 billion, which is an increase of \$11 billion over 1961, and over \$3 billion above the amount estimated for this fiscal year. Almost every major category of spending shows a rise.

The balance is obtained by estimating government receipts at \$93 billion, and that is fantastically high. It is \$11 billion above what is expected for this year.

Back of these official expectations is an estimate that corporate profits in this calendar year will be \$56.5 billion. That, of course, is pre-tax profits. Most competent private economists predict that pre-tax corporate profits this year will be not above \$53 billion, and many think they may be even lower. It is generally believed, too, that the peak of profits will be in the second quarter, and certainly not later than the July to September period. If these private estimates are correct, the President's prediction of \$26.6 billion revenue from corporation income taxes will be one or two billion dollars too high.

The other large increase in government receipts is to come from a major rise in personal income taxes. This is based upon a prediction that personal income in this calendar year will be \$448 billion. On this item private economists anticipate a growth quarter by quarter, but for the year as a whole it is believed the total will be at least \$5 billion below the President's figure. However if personal income continues to grow in the first half of 1963, as it should the official estimate of \$49.3 billion from individual income taxes may not be as wide of the mark as the prediction on revenues from the corporate income tax. The difference between the two in this respect is that corporations pay a tax for the previous year, while individuals pay currently on their income.

An increase is anticipated in the other divisions of governmental income, but in each instance it is relatively insignificant.

These huge totals for corporate profits and personal income are based upon a predicted gross national product of \$570 billion for this calendar year. Our personal estimate for gross national product for this year is \$560,565 billion, and we think that they may be a bit high. But if we happen to be correct, it certainly will be impossible to have corporate profits of \$56.5 billion and personal income of \$448 billion.

On taxation there again is a recommendation of an 8 percent tax credit for investment in depreciable equipment. The loss of revenue caused by this is to be offset by enactment of the same suggestions that were

made last year—withholding on dividend and interest income; repeal of the present dividend credit provisions; statutory provisions covering business expenses for entertainment and other expense account items; elimination of tax deferral privileges on foreign business income, except in less-developed countries; and so forth.

It is also recommended that the 10 percent tax on transportation of persons be repealed in so far as railroads are concerned as of July 1, 1962. Also recommended is enactment of "new systems of user charges for commercial and general aviation and for transportation on inland waterways," but no details on this are given.

A recommendation for a lifting of postal rates sufficient to put the Post Office Department on a self-supporting basis also is made.

Now, does this budget make sense? It makes sense only if one assumes fairly substantial inflation within the next eighteen months.

20 YEARS AGO

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senting employers and Henry Rogerson and Gurnie Hobbs, representing employees.

J. L. Wiggins, Chairman of the Chowan County Draft Board announced that he had been authorized to conduct a third registration of men in Chowan County between the ages of 20 to 45.

Though Chowan County was reportedly financially better off by having closed the County Home, the possibility loomed that it may be reopened.

R. N. Hines, superintendent of the Electric & Water Department, appealed to parents for cooperation in preventing children from shooting air rifles in Edenton. Mr. Hines reported that it had cost the department over \$50 since Christmas to replace street lights which were broken by youngsters with air rifles.

The wedding of Miss Grace Ireie Sprull and Irving Cason Griffin was solemnized at the home of the bride's parents, Mr. and Mrs. Sidney Sorull.

Twenty Chowan County white men were taken to New Bern preparatory to being called into military service.

Miss Myrna Skinner Teaching At Troy

Miss Myrna Skinner left on Thursday of last week for Troy, N. C., where she has accepted a position as teacher of the seventh grade in the Troy schools.

Miss Skinner, daughter of Leroy Skinner, graduated at East Carolina College on Thanksgiving.

POCAHONTAS MEETING
Chowanoke Council No. 54, Degree of Pocahontas, will meet tonight (Thursday) at 8 o'clock. Mrs. Virginia Williams, Pocahontas, requests a large attendance.

"SUPER-RIGHT" QUALITY WHOLE FRESH

FRYERS

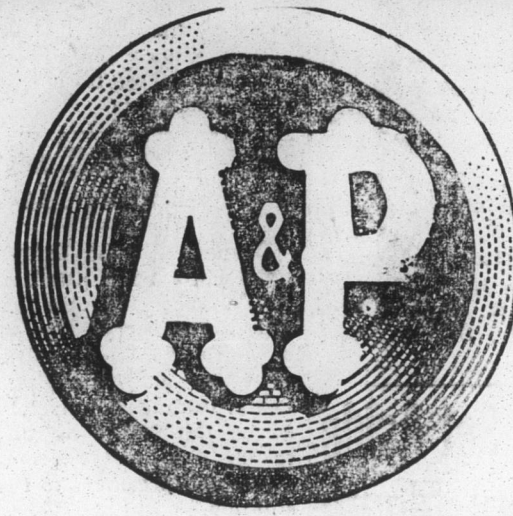
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PER LB. **29c**

"Super-Right" LAMB

SHOULDER CHOPS Lb. 49c RIB CHOPS Lb. 49c LOIN CROPS Lb. 69c
LAMB CHUCK BLADE ROAST Lb. 29c
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BUTT HALF LAMB LEG Lb. 49c SHANK HALF LAMB LEG Lb. 69c



WISCONSIN MILD CHEESE lb. 45c

Super-Right Delicious All Meat

FRANKS 1-LB. PKG. **49c**

BACON

ALLGOOD BRAND NO. 1

SLICED

1-lb. pkg.

39c

Jane Parker Family Size
CHERRY PIES ea. **43c**

Jane Parker Vanilla Creme Iced
SPANISH BAR CAKE Only **29c**

ANN PAGE CREAMY CONDENSED TOMATO

NO. 1 10 1/2-OZ. CAN **10c**

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TISSUE 4 rolls **35c**

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PEANUT BUTTER 2 Pound Jar **69c**

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BOOK ONE ONLY **49c** All Others 99c Each
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Florida 100-Size
TEMPLE ORANGES 12 For **39c**

Large Leaf Pothos Combination
PHILODENDRON 5 INCH POT **\$1.49**

Sweet Anjou Pears
Red Delicious Apples 4 For **29c**

U. S. NO. 1 WHITE

25 LB. BAG 55c

FOUNDER'S VALUE! A&P's FAMOUS MILD AND MELLOW EIGHT O'CLOCK

COFFEE 1-LB. BAG **49c**
3-lb. bag \$1.45

Ad Detergent 19 1/2-Oz. Pkg. **33c** 40-Oz. Pkg. **79c**

Lux Toilet Soap 2 Reg. Bars **21c**

Large 20-Gallon Galvanized Steel
GARBAGE CANS Each **\$1.99**
ALL VARIETIES — RUSH PREPARED

BEANS 6 15-OZ. CANS **49c**

Russell's Brand Freshly Baked
VANILLA WAFERS 20-Oz. Pkg. **25c**
A&P BRAND APPLE

SAUCE 6 1-LB. CANS **69c**

Palmolive Soap 2 Reg. Bars **21c**

Lux Liquid 12-Oz. Can **37c** 22-Oz. Can **63c**

Wisk Liquid Qt. Can **73c** 1/2-Gal. Can **\$1.39**

HANDY ANDY 15-Oz. Bot. **39c** 28-Oz. Bot. **69c**

CASHMERE BOUQUET SOAP 2 Reg. Bars **21c** Bath Bar **15c**

SUPER SUDS Lg. Pkg. **34c** Gt. Pkg. **81c**

Hunt's Brand
Tomato Paste 2 12-Oz. Cans **49c** 2 6-Oz. Cans **27c**

SWAN LIQUID 12-Oz. Can **37c** 22-Oz. Can **63c**

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