

# Notes and Brief Reports

## Assistance Expenditures Per Inhabitant, 1959-60\*

In the fiscal year 1959-60, total assistance payments for all five public assistance programs combined averaged \$20.38 for every inhabitant of the United States—only 11 cents more than the per capita cost in the preceding year. Per capita costs, obtained by relating the total assistance outlay for the country as a whole or for each State to the total number of persons in the Nation or in the particular State, permit a more meaningful comparison of expenditures between years and among States than do aggregate amounts. In 1959-60, for example, assistance payments for all public assistance categories combined totaled \$337 million in the State of New York—more than four times Colorado's expenditure of \$79 million. On a per capita basis, however, Colorado's expenditure (\$45.13) was more than twice that in New York (\$20.10).

Changes in per inhabitant expenditures from 1958-59 to 1959-60 were relatively small in all programs except aid to the permanently and totally disabled, where there was a rise of 7.2 percent. The largest shift in dollar amounts occurred in aid to dependent children (up 20 cents) and the smallest in aid to the blind (up 1 cent). The detail by program is shown below.

Program	Assistance expenditures per inhabitant, 1959-60	Change from 1958-59	
		Amount	Percent
All programs.....	\$20.38	+\$0.11	+0.5
OAA.....	10.42	-.12	-1.1
ADC.....	5.62	+.20	+3.7
AB.....	.51	+.01	+2.0
APTD.....	1.49	+.10	+7.2
GA.....	2.33	-.09	-3.3

Year-to-year changes in expenditures per inhabitant reflect changes in the proportion of the population receiving assistance (recipient rate) and in the average monthly payment per recipient.

\* Prepared by Frank Hanmer, Division of Program Statistics and Analysis, Bureau of Public Assistance.

The rise from 1958-59 to 1959-60 in expenditures per capita for all categories combined was insignificant. Generally substantial increases in the average monthly payment per recipient were to a large extent offset by a decrease in the average monthly number of persons aided. Although most States were making higher average payments to recipients in 1959-60 than in the preceding year, in a number of States need was not being met in full in relation to the State's own assistance standards. Increases in the average monthly payment per recipient for the country as a whole ranged from 77 cents in the children's program to \$2.91 in the program for the blind.

Recipient rates declined in three programs because the number of recipients was smaller than in the preceding year. In aid to the blind the

TABLE 1.—Average monthly number of assistance recipients and average monthly payments, by program, 1959-60

Program	Average monthly number of recipients		Average monthly payment per recipient	
	Number, 1959-60	Percentage change from 1958-59	Amount, 1959-60	Change from 1958-59
OAA.....	2,386,889	-2.4	\$66.33	+\$2.79
ADC.....	2,964,839	+4.0	28.89	+.77
AB.....	108,723	-.7	70.90	+2.91
APTD.....	351,422	+7.2	64.52	+2.15
GA.....	1,104,966	-6.4	25.29	+1.38

decrease was insignificant. The sizable drop (6.4 percent) in the average number of general assistance recipients reflected an improvement in economic conditions from those in the preceding year. Fewer persons received old-age assistance than in 1958-59 as earlier improvements in both coverage and benefit amounts under the old-age, survivors, and disability insurance program continued to reduce the need for the assistance payments.

In contrast, recipient rates went up in the other two programs. The average monthly number of recipients of aid to dependent children and aid to the permanently and totally disabled rose 4.0 percent and 7.2 percent, respectively; the increase in the total population during the period was 1.6 percent. The fairly substantial rise in the number of persons receiving aid to the permanently

and totally disabled is accounted for by comparatively large increases in a few States with recently established programs or with recent liberalizations in program policies, coupled with a small upward trend in almost all States with programs. Changes for the year in the average monthly number of recipients and the average monthly payment per recipient are given for each program in table 1.

Most States reported changes in per capita ex-

penditures for assistance payments that were similar to the national shifts (table 2). Thus expenditures per inhabitant for all categories combined went up in almost three-fifths of the States, but decreases were more prevalent than increases in old-age assistance, aid to the blind, and general assistance. In contrast, only eight States spent less per inhabitant to aid the disabled, and 18 States spent less to assist dependent children, as the following tabulation indicates.

TABLE 2.—Amount expended per inhabitant<sup>1</sup> for assistance payments, including vendor payments for medical care, by State and by program, fiscal years 1958-59 and 1959-60

State	Total		Old-age assistance		Aid to dependent children		Aid to the blind		Aid to the permanently and totally disabled		General assistance	
	1958-59	1959-60	1958-59	1959-60	1958-59	1959-60	1958-59	1959-60	1958-59	1959-60	1958-59	1959-60
U.S. average.....	\$20.27	\$20.38	\$10.54	\$10.42	\$5.42	\$5.62	\$0.50	\$0.51	\$1.39	\$1.49	\$2.42	\$2.33
Alabama.....	20.23	22.32	16.28	17.80	2.25	2.71	.20	.22	1.50	1.59	( <sup>2</sup> )	( <sup>2</sup> )
Alaska.....	18.54	14.87	6.51	4.89	8.07	6.86	.46	.38	( <sup>3</sup> )	( <sup>3</sup> )	3.50	2.74
Arizona.....	17.14	17.64	8.24	7.95	7.04	7.76	.57	.56	( <sup>3</sup> )	( <sup>3</sup> )	1.29	1.37
Arkansas.....	23.63	24.39	18.12	18.70	3.06	2.90	.73	.74	1.67	1.78	.05	.27
California.....	31.18	29.50	18.62	17.23	9.24	8.98	1.22	1.12	.34	.55	1.76	1.62
Colorado.....	45.12	45.13	34.86	34.65	5.94	6.04	.17	.15	2.41	2.55	1.74	1.74
Connecticut.....	19.36	17.34	8.79	7.68	5.79	5.58	.17	.15	1.46	1.36	4.16	4.57
Delaware.....	9.95	9.55	1.94	1.80	3.86	3.70	.50	.48	.63	.65	3.12	2.92
District of Columbia.....	14.55	17.97	2.93	3.19	7.37	9.72	.23	.25	2.65	3.16	1.37	1.65
Florida.....	16.62	15.61	10.08	9.32	4.26	3.89	.40	.37	1.14	1.31	4.74	4.72
Georgia.....	22.02	21.95	14.27	13.96	4.31	4.07	.57	.56	2.70	3.19	.17	.17
Guam.....		1.46	( <sup>4</sup> )	.23	( <sup>4</sup> )	1.05	( <sup>4</sup> )	.01	( <sup>4</sup> )	.16	( <sup>4</sup> )	.01
Hawaii.....	12.30	11.09	1.74	1.72	6.97	6.13	.12	.11	1.54	1.52	1.93	1.61
Idaho.....	15.39	15.62	8.91	8.75	5.04	5.34	.22	.22	1.19	1.28	5.03	5.03
Illinois.....	20.73	21.89	6.63	6.44	6.24	6.72	.30	.29	1.76	1.74	5.80	6.70
Indiana.....	10.29	9.75	4.60	4.47	2.98	2.99	.35	.35	( <sup>5</sup> )	( <sup>5</sup> )	2.36	1.94
Iowa.....	18.02	18.77	10.89	11.41	4.53	5.02	.53	.56	( <sup>6</sup> )	( <sup>6</sup> )	2.07	1.74
Kansas.....	20.50	20.49	13.05	12.55	4.19	4.53	.29	.27	1.93	1.94	1.04	1.21
Kentucky.....	17.42	18.16	9.39	10.01	5.83	6.00	.54	.49	1.29	1.38	.37	.28
Louisiana.....	45.26	45.43	31.41	31.42	8.24	8.42	.74	.77	3.07	3.20	1.80	1.62
Maine.....	20.69	21.35	9.16	9.53	6.43	6.83	.38	.37	1.41	1.68	3.31	2.94
Maryland.....	8.15	8.63	2.26	2.22	3.66	4.10	.11	.11	1.39	1.50	.73	.70
Massachusetts.....	30.55	28.83	19.80	18.68	5.32	5.02	.59	.59	2.77	2.81	2.07	1.73
Michigan.....	21.14	19.58	7.03	6.84	5.16	5.26	.21	.21	.50	.58	8.24	6.69
Minnesota.....	23.35	24.19	14.41	14.47	4.87	5.16	.38	.38	.45	.50	3.24	3.68
Mississippi.....	19.50	20.65	13.13	13.15	3.89	4.36	.30	.30	1.18	1.72	.08	.09
Missouri.....	29.74	30.80	18.93	19.24	6.05	6.56	.90	.93	2.46	2.62	1.40	1.45
Montana.....	19.06	20.14	8.27	7.98	4.05	4.10	.47	.47	1.79	1.75	4.48	5.84
Nebraska.....	13.68	14.45	8.74	9.05	2.42	2.64	.64	.65	.86	1.03	1.02	1.08
Nevada.....	13.16	12.96	7.96	7.74	3.85	4.05	.72	.74	( <sup>7</sup> )	( <sup>7</sup> )	7.63	7.43
New Hampshire.....	13.38	12.98	7.40	7.50	3.23	3.02	.37	.39	.65	.74	1.73	1.33
New Jersey.....	9.97	10.41	3.34	3.24	3.06	3.92	.16	.16	1.07	1.16	2.34	1.93
New Mexico.....	23.03	22.72	9.04	8.98	11.17	10.97	.34	.30	1.98	1.97	.50	.50
New York.....	20.56	20.10	6.42	6.28	7.99	7.92	.32	.31	2.80	2.70	3.03	2.89
North Carolina.....	13.59	14.42	5.16	5.34	4.98	5.32	.65	.71	2.03	2.29	.77	.76
North Dakota.....	18.73	20.11	11.42	11.99	4.48	4.95	.13	.14	1.78	2.03	.92	1.00
Ohio.....	17.32	17.72	7.65	7.84	3.13	3.56	.30	.30	.85	.98	5.39	5.04
Oklahoma.....	49.88	51.76	35.29	36.11	9.41	10.11	.89	.91	3.73	4.10	.56	.53
Oregon.....	20.57	19.33	9.66	9.07	5.33	5.44	.16	.15	2.82	2.83	2.60	1.84
Pennsylvania.....	13.58	16.13	3.25	3.64	5.50	6.33	1.20	1.31	1.00	1.08	2.63	3.77
Puerto Rico.....	6.47	6.94	1.72	1.66	3.65	4.15	.08	.08	.95	.98	.07	.07
Rhode Island.....	22.01	22.66	7.16	7.37	7.76	8.07	.13	.13	2.78	3.23	4.18	3.86
South Carolina.....	11.05	11.44	6.52	6.55	2.62	2.68	.37	.37	1.34	1.59	.20	.25
South Dakota.....	17.68	19.24	8.86	9.60	5.14	5.84	.16	.17	1.00	1.24	2.52	2.39
Tennessee.....	15.14	14.95	8.34	7.97	5.12	5.09	.46	.45	1.08	1.32	.14	.12
Texas.....	17.82	17.77	14.52	14.68	2.27	1.93	.45	.46	.28	.39	4.30	4.31
Utah.....	7.01	7.93	7.70	7.33	6.10	6.02	.21	.19	2.02	2.29	2.02	2.10
Vermont.....	17.96	18.05	10.26	10.38	3.82	4.07	.25	.25	1.38	1.61	4.25	4.74
Virgin Islands.....	14.02	11.43	6.68	5.06	4.38	4.17	.26	.19	1.25	1.06	1.45	.95
Virginia.....	5.28	5.69	1.83	1.93	2.19	2.34	.17	.20	.81	.91	.28	.31
Washington.....	37.16	32.52	20.78	18.10	8.09	7.53	.33	.29	2.68	2.70	5.28	3.90
West Virginia.....	18.16	19.40	4.55	4.65	10.94	12.02	.26	.27	1.72	1.86	.69	.60
Wisconsin.....	16.31	16.24	8.48	8.61	3.98	4.16	.24	.25	.44	.70	3.17	2.52
Wyoming.....	16.96	16.10	9.55	8.61	3.63	3.56	.18	.17	1.44	1.38	2.16	2.38

<sup>1</sup> Data for 1958-59 based on population estimated by the Bureau of the Census for July 1, 1958; for 1959-60, on data for April 1960; excludes Armed Forces overseas.

<sup>2</sup> Less than \$0.01.

<sup>3</sup> No program.

<sup>4</sup> Estimated.

<sup>5</sup> Data incomplete.

<sup>6</sup> Program not in operation for full year; first payments made in January 1960.

<sup>7</sup> Excludes vendor payments for medical care from general assistance funds. Money payments to general assistance recipients partly estimated for 1958-59.

Program	Number of States with specified change in expenditures per inhabitant <sup>1</sup>		
	Increase	Decrease	No change
Total, all programs.....	31	22	-----
OAA.....	25	28	-----
ADC.....	35	18	-----
AB.....	19	21	13
APTD.....	39	8	1
GA.....	18	30	5

<sup>1</sup> Excludes Guam; first payments made July 1959.

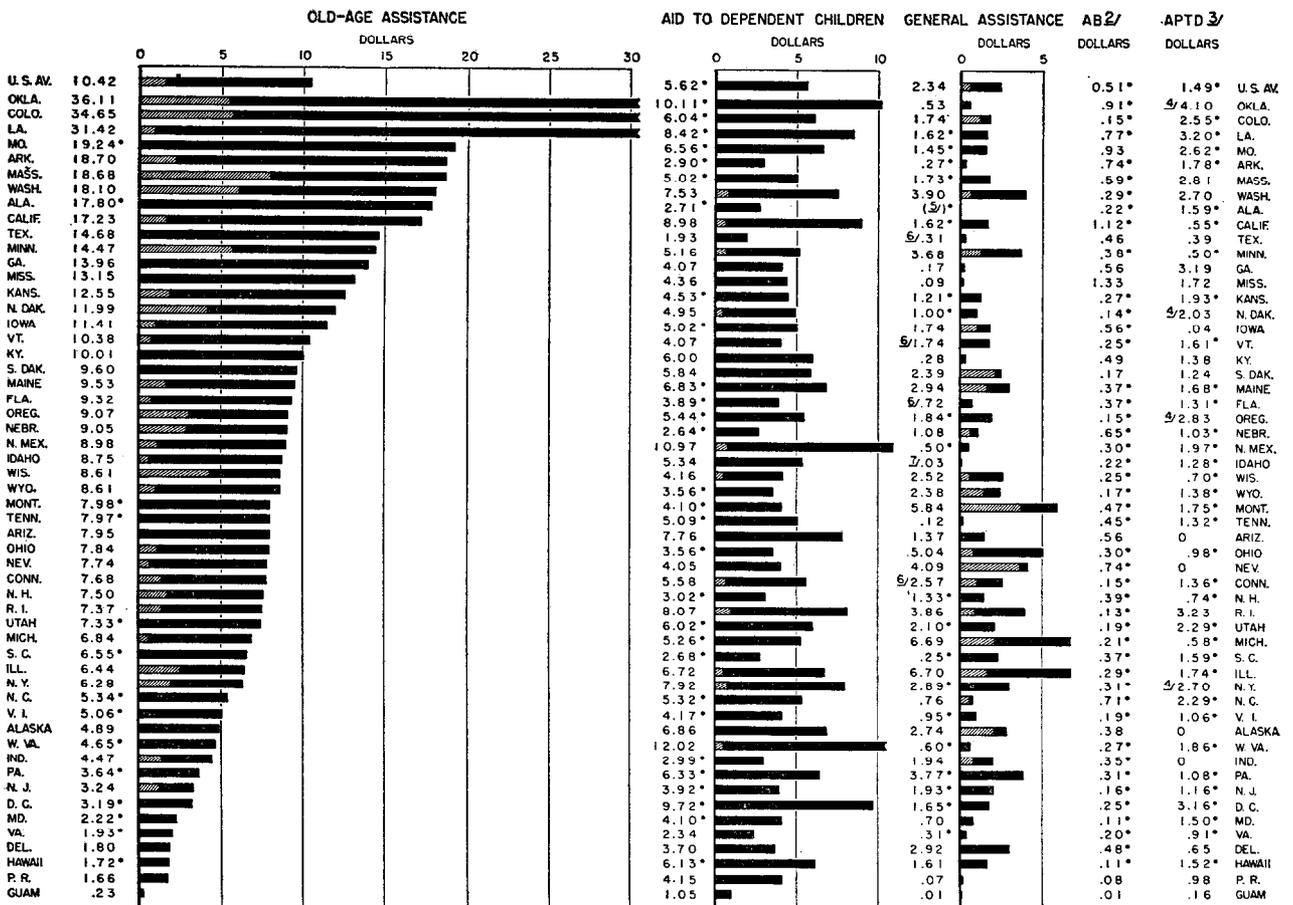
### Program and State Variations

The individual States varied considerably in per capita expenditures during 1959-60 for each program and for all programs combined. Many socio-economic and fiscal factors account for the

variations. The States differ, for example, in their fiscal ability and willingness to finance the non-Federal share of an adequate assistance program, in the proportion of their population that falls in the low income brackets, in employment opportunities, and in the extent to which benefit payments under old-age, survivors, and disability insurance reduce the need for assistance. These factors influence the scope of a State's public assistance program and the demands made upon it.

Under the Social Security Act, the States are free to define need by determining the quantity, quality, and cost of the items they consider necessary for decent and healthful living (the State's assistance standard) and to establish other eligibility requirements. Thus, the amount of income and property holdings that recipients may possess varies among States; so do State policies on

Amount expended per inhabitant for assistance payments, including vendor payments for medical care, fiscal year 1959-60



<sup>1/</sup> BASED ON POPULATION AS OF APRIL 1, 1960 EXCLUDING ARMED FORCES OVERSEAS PUBLISHED BY BUREAU OF CENSUS. <sup>2/</sup> AID TO THE BLIND. <sup>3/</sup> AID TO THE PERMANENTLY AND TOTALLY DISABLED. <sup>4/</sup> VENDOR PAYMENTS FOR MEDICAL CARE PER INHABITANT OF \$1.35 FOR MASSACHUSETTS, 81 CENTS FOR NEW YORK, 76 CENTS FOR NORTH DAKOTA, 55 CENTS FOR OKLAHOMA, 64 CENTS FOR OREGON, 58 CENTS FOR RHODE ISLAND, AND 89 CENTS FOR WASHINGTON. \* LESS THAN ONE CENT. <sup>5/</sup> ESTIMATED. <sup>6/</sup> INCOMPLETE.   
 ■■■■■ TOTAL PAYMENT. ■■■■■ VENDOR PAYMENTS. \* VENDOR PAYMENTS FOR MEDICAL CARE OF LESS THAN 50 CENTS PER INHABITANT.

contributions from responsible relatives or recovery of assistance through liens on the property of recipients or other devices.

A State's assistance standard and the policies governing eligibility are major factors determining the number of persons who will be found eligible for assistance and hence the recipient rate. The level of the assistance standard also affects the size of the average monthly payment to recipients. Other factors affecting the size of the payment are State maximums on the amount of the monthly payment to an individual recipient or any reductions in the amount of assistance that is needed but cannot be paid when State-local funds are inadequate.<sup>1</sup>

Total payments per inhabitant for public assistance ranged from a high of \$51.76 in Oklahoma to lows of \$5.69 in Virginia and \$1.46 in Guam, which made its first payments with Federal funds in July 1959. Guam and Virginia were among six jurisdictions that spent less than \$10. Twenty States, in contrast, spent more than twice that amount, including five States with expenditures of more than \$30. Total aid per capita amounted to \$10.00–\$14.99 in 10 States and \$15.00–\$19.99 in 18 States. Seven out of every 10 States spent less than the national average of \$20.38.<sup>2</sup>

Old-age assistance, which is the largest program in terms of expenditures, accounted for more than half the total national outlay for all programs combined and exceeded expenditures for any other program in two-thirds of the States (see chart). Payments averaged \$10.42 for the country as a whole but were less than this amount in 7 out of every 10 States. Oklahoma, the top State, spent \$36.11 per capita for old-age assistance, or 21 times the \$1.72 spent by Hawaii, which was at the bottom. Expenditures were less than \$5 in 12 States, \$5.00–\$7.49 in 8 States, \$7.50–\$9.99 in 16 States, and \$10.00 or more in 18 States.

<sup>1</sup> For a fuller discussion of the factors that influence State variation in per capita expenditures for assistance payments, see the *Social Security Bulletin*, May 1959, pages 18–19.

<sup>2</sup> Comparisons within the individual programs exclude from consideration Guam, Puerto Rico, and the Virgin Islands, where expenditures usually are relatively low. The comparison for aid to the permanently and totally disabled also excludes Iowa, where payments were made during only half the year, and that for general assistance excludes Idaho, where reporting is incomplete.

Although in an average month many more persons were aided under the program for dependent children (3.0 million) than under old-age assistance (2.4 million), the average monthly payment per recipient in aid to dependent children was much lower. As a result the per capita expenditure for aid to dependent children (\$5.62) was only about 54 percent of that for the aged. Per capita expenditures for children exceeded those for old-age assistance, however, in 15 States. The main reason was that these States had comparatively low expenditures per inhabitant for old-age assistance—generally as a result of relatively low recipient rates for that program. Per capita expenditures for aid to dependent children were less than \$5 in almost half (25) of the States, \$5.00–\$7.49 in 19 States, \$7.50–\$9.99 in seven States, and \$10.00 or more in only three States. The highest expenditure occurred in West Virginia (\$12.02), and the lowest in Texas (\$1.93).

For the country as a whole and for each of the States, expenditures for aid to the blind and aid to the permanently and totally disabled were considerably lower than those for old-age assistance and aid to dependent children. Nationally, payments to the blind averaged 51 cents per inhabitant, but three-fourths of the States spent less than that amount. Per capita expenditures for aid to the permanently and totally disabled were \$1.49 for the United States; in 27 of the 50 States with programs, expenditures exceeded this amount. Costs for aid to the disabled ranged from a low of 39 cents in Texas to a high of \$4.10 in Oklahoma.

The greatest interstate variation existed in general assistance, which is financed entirely from local and/or State funds. Expenditures reached

TABLE 3.—Number of States with specified amount of expenditures per inhabitant for vendor payments for medical care, by program, fiscal year 1959–60

Expenditures per inhabitant for vendor payments for medical care	All programs	OAA	ADC	AB	APTD	GA
Average, all States...	\$2.71	\$1.54	\$0.33	\$0.04	\$0.25	\$0.55
Total number of States.....	54	54	54	54	50	54
No vendor payments...	7	10	14	10	9	15
Vendor payments.....	47	44	40	44	41	39
Less than \$0.50.....	6	14	29	44	34	20
0.50–0.99.....	8	6	10	0	6	6
1.00–1.49.....	4	8	1	0	1	5
1.50–1.99.....	1	5	0	0	0	3
2.00 or more.....	28	11	0	0	0	5

highs of \$6.70 in Illinois and \$6.69 in Michigan but were 9 cents in Mississippi and less than 1 cent in Alabama. Payments per inhabitant were \$1.50 or more in about half the States and averaged \$2.33 for the United States. The distribution of the States by the amount of assistance expenditures per inhabitant for each of the categories for 1959-60 is shown below.

Expenditures per inhabitant	All programs	OAA	ADC	AB	APTD	GA
Total number of States.....	54	54	54	54	50	54
Less than \$0.50.....	0	1	0	40	3	12
0.50-0.99.....	0	0	0	11	0	7
1.00-1.49.....	1	0	1	3	11	6
1.50-1.99.....	0	4	1	0	13	11
2.00-2.99.....	0	1	6	0	9	9
3.00-3.99.....	0	3	6	0	4	4
4.00-4.99.....	0	3	11	0	1	1
5.00-7.49.....	2	8	19	0	0	4
7.50-9.99.....	3	16	7	0	0	0
10.00-14.99.....	10	9	3	0	0	0
15.00-19.99.....	18	6	0	0	0	0
20.00 or more.....	20	3	0	0	0	0

### Vendor Payments for Medical Care

Assistance agencies may pay for medical care in one or both of the following ways: (1) by including the cost of medical care in determining the amount of the money payment to the recipient and (2) by making direct payment to the suppliers of medical goods and services (vendor payments). Nationally, vendor payments for medical care for the five programs combined amounted to more than \$490 million in the fiscal year 1959-60—up \$83 million or 20 percent from such payments a year earlier. Though part of the increase may represent a shift from the money payment to vendor payments, most of it is due to larger expenditures for medical care.<sup>3</sup>

Most of the dollar rise in payments to medical vendors in 1959-60 occurred in the old-age assistance programs of eight States. Although total vendor medical payments for all categories combined went up in most of the States making such payments, almost three-fourths of the national increase was accounted for by these eight States,

<sup>3</sup> From 1957-58 to 1958-59 vendor medical payments in the five programs rose \$90 million, but at least three-tenths of this increase was the result of a shift from money payments to vendor payments after the 1958 amendments to the Social Security Act had revised the formula for determining Federal participation.

where upward changes ranged from \$3.6 million to \$13 million. For old-age assistance the national rise (\$64 million) represented 78 percent of the \$83 million increase for all programs combined.

From 1958-59 to 1959-60, per inhabitant expenditures for vendor payments for medical care went up substantially in old-age assistance (26 percent) and aid to the permanently and totally disabled (25 percent). Smaller increases occurred in aid to dependent children (3 percent) and general assistance (2 percent), but per capita expenditures in aid to the blind remained the same. Despite large percentage increases in two programs, dollar rises in per inhabitant costs were relatively small in all four programs. These increases were 32 cents in old-age assistance, 5 cents in aid to the permanently and totally disabled, and 1 cent in aid to dependent children and general assistance.

For all programs combined, vendor payments for medical care in 1959-60 amounted to \$2.71 per inhabitant of the United States, or 13 percent of the total per capita cost of assistance. Most (57 percent) of the total outlay per inhabitant for vendor medical payments was accounted for by expenditures of \$1.54 from old-age assistance funds. Per capita costs under the other categories were much smaller, amounting to 55 cents in general assistance, 33 cents in aid to dependent children, 25 cents in aid to the permanently and totally disabled, and 4 cents in aid to the blind.

In relation to total per capita expenditures for assistance payments, vendor payments for medical care were largest in general assistance and smallest in aid to dependent children. Vendor medical payments made up almost one-fourth of total general assistance costs for the country as a whole and more than half of general assistance expenditures in one-fourth of the 39 States that reported vendor payments. In at least 10 States, general assistance funds were used to pay vendors for medical care received by recipients under one of the federally aided categories.

In aid to the permanently and totally disabled and in old-age assistance, vendor medical payments per inhabitant also constituted a higher-than-average proportion of total assistance (17.0 percent and 14.8 percent, respectively). In aid to the blind, however, only 8.3 percent of total assistance payments were made directly to medi-

cal vendors, and in aid to dependent children only 5.8 percent.

In the individual States, per inhabitant expenditures for vendor payments for medical care were relatively small except from funds of the old-age assistance and general assistance programs. Payments of \$2 or more came from old-age assistance funds in 11 States and from general assistance funds in five States. Per capita expenditures were less than 50 cents, however, in all 44 of the States making vendor payments in aid to the blind. Per capita expenditures were also less than 50 cents in 34 States in aid to the permanently and totally disabled, 29 States in aid to dependent children, 20 States in general assistance, and 14 States in old-age assistance. Vendor payments for all programs combined totaled \$2 or more in about three-fifths of the States making such payments.

## Trust Fund Operations, 1960\*

The social insurance and related trust funds account for the major portion of the assets of all the trust funds managed in whole or in part by the Treasury Department. The group includes the old-age and survivors insurance trust fund, the disability insurance trust fund, the unemployment trust fund, the railroad retirement account, the civil-service retirement and disability fund, and the several veterans' insurance funds.

### OLD-AGE AND SURVIVORS INSURANCE TRUST FUND

All financial operations of the old-age, survivors, and disability insurance program are carried on through the Federal old-age and survivors insurance trust fund and the Federal disability insurance trust fund.

Amounts equivalent to 100 percent of current collections under the Federal Insurance Contributions Act (with respect to covered employees) and under chapter 2 of the Internal Revenue Code

\* Prepared by Sophie R. Dales, Division of Program Research, Office of the Commissioner.

of 1954, as amended (with respect to covered self-employed persons), are transferred by permanent appropriations to the trust funds on the basis of estimates made by the Secretary of the Treasury. Differences between these estimates and the contributions actually payable on the basis of reported earnings are adjusted periodically. Contributions under voluntary agreements with States for the coverage of State and local government employees are deposited as received directly in the trust funds.

### Income-Outgo

The tax schedule introduced in the 1958 amendments to the Social Security Act raised the combined employer-employee tax rates payable in 1959 by  $\frac{1}{2}$  of 1 percent of payroll and in 1960 by an additional full 1 percent of payroll—to  $5\frac{1}{2}$  percent. The self-employment tax rate was also increased. Since self-employment taxes for any

TABLE 1.—Operations of the old-age and survivors insurance trust fund, calendar years 1959 and 1960

[In thousands]		
Item	1960	1959
Total assets, January 1.....	\$20,140,766	\$21,864,422
Receipts, calendar year:		
Contributions:		
Appropriations (taxes).....	10,208,596	7,586,574
Deposits arising from State agreements.....	737,139	539,077
Gross contributions.....	10,945,734	8,125,652
Less payments to Treasury for taxes subject to refund.....	79,440	73,680
Net contributions.....	10,866,294	8,051,972
Interest and profit:		
On investments.....	514,868	531,081
On administrative expenses reimbursed from DI trust fund.....	877	1,165
Gross interest received.....	515,744	532,246
Less interest transferred to railroad retirement account.....	9,889	7,448
Net interest received.....	505,855	524,798
Total net receipts.....	11,372,150	8,576,769
Disbursements, calendar year:		
Benefit payments.....	10,676,628	9,841,641
Payments to railroad retirement account under the financial interchange.....	308,500	274,600
Total benefit payments and transfers with respect to benefits.....	10,985,128	10,116,241
Administrative expenses:		
Department of Health, Education, and Welfare.....	192,380	179,123
Treasury Department.....	38,973	36,453
Construction of headquarters building for Bureau of Old-Age and Survivors Insurance.....	5,250	15,052
Gross administrative expenses.....	236,603	230,628
Less receipts for sale of services, etc.....	138	136
Less reimbursement of administrative expenses from DI trust fund.....	33,176	46,308
Net administrative expenses.....	203,289	184,184
Total net disbursements.....	11,188,417	10,300,425
Net addition to trust fund.....	183,733	-1,723,656
Total assets, December 31.....	20,324,499	20,140,766