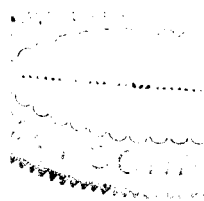


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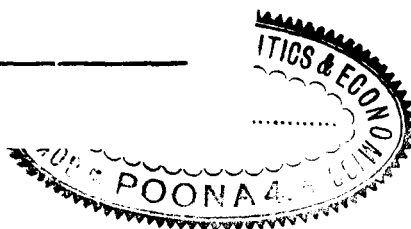
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ACKNOWLEDGEMENTS

The purpose of this study is to ascertain, within the limits of reliability of the sampling of 7,992 probated estates in six counties of the State of Washington, the *composition* of wealth in the forms of realty, tangible personalty, and intangible personalty, with their *relative distribution* in the ownership of individuals in the state. Further, an endeavor is made to develop the more significant tax implications of the wealth composition and distribution found as they relate to the existing state and local tax system.

Brief reference is made in the study to the composition and distribution of individual wealth in certain other taxing jurisdictions for comparative purposes. These data are useful also in indicating the relative reliability of the sampling of probated estates in Washington. Decided similarity will be noted between the composition and distribution of wealth in Washington and in other taxing jurisdictions.

The data from the county probate files were recorded by the Division of Research and Statistics of the Washington Tax Commission. An illustration of the type of worksheet used for the summarization of data from probate files is found in the Appendix.

The author is greatly indebted to the Washington Tax Commission for making this study possible through the provision of the abstracted probate data. The members of the Washington Tax Commission, T. M. Jenner, T. S. Hedges and H. H. Henneford, have rendered the fullest possible personal and official cooperation toward the realization of the project. To the present as well as the former members of the staff of the Division of Research and Statistics, in particular Paul Mowry, Robert Anderson, Richard Zettel, and Robert Mayo, all former students, the author's special appreciation is due. Their efforts of cooperation were constant.

Mine is the responsibility for conclusions reached as well as for those inaccuracies in content and infelicities of expression which may be present in this study.

JAMES K. HALL

Seattle, Washington
June, 1939

The property tax in Washington at the present time is the most important source of tax revenue in local government finance and, although of rapidly declining importance in state finance, is still of significant proportions. Reference to Table I discloses that the State Treasury received \$3,799,876.91 from the property tax during the fiscal year 1937-1938, or 5.24 per cent of total revenue. Chart I reveals the relative importance of this source of revenue in graphical form. The amounts levied and the amounts collected from the Washington property tax classified by divisions of government are shown in Table II. Although the aggregate property tax levy for 1937—\$41,629,715.00—is only 52 per cent of the 1930 levy of \$80,016,418.00, this form of taxation produces annually more revenue for the

TABLE I
WASHINGTON REVENUE SOURCES¹
(State Fiscal Year Ending March 31, 1938)

STATE REVENUE	Amount	% of Total
Motor Vehicle Fuel (Gasoline) Tax ²	\$14,413,852.76	19.91
Other Motor Vehicle Taxes and Licenses ³	5,526,449.29	7.62
Federal Aid: Highways.....	3,929,736.62	5.42
Federal Aid: Social Security.....	5,889,420.89	8.13
Federal Aid: Miscellaneous ⁴	812,199.73	1.12
State Property Tax ⁵	3,799,876.91	5.24
Retail Sales Tax ⁶	12,533,498.12	17.29
Business and Occupation Taxes ⁷	5,858,565.57	8.08
Public Utility Taxes and Fees ⁸	2,700,988.56	3.73
Corporation and Insurance License Taxes.....	1,874,387.40	2.59
Inheritance Tax.....	1,443,308.43	1.99
Liquor Profits, Taxes and Licenses ⁹	4,252,843.97	5.87
Selective Excise Taxes ¹⁰	3,984,907.24	5.50
Interest ¹¹	1,681,591.09	2.32
Miscellaneous Revenues ¹²	1,853,998.43	2.56
DEFICIT to Balance Current Expenditures ¹³	1,891,875.26	2.63
TOTAL CURRENT REVENUES.....	\$72,447,500.27	100.00

¹ Tax Commission, State of Washington (Division of Research and Statistics).

² Gross collections from five cents per gallon tax (\$16,887,254.97), less refunds for gasoline used for non-highway purposes (\$1,227,340.24) and less .4c per gallon tax reserved for General Obligation Bonds of 1933 Retirement Fund (\$1,246,061.97).

³ Motor vehicle (\$2,861,466.34) and drivers' licenses (\$1,291,324.00), automobile excise tax (\$1,129,923.20), and auto title fees (\$243,735.75).

⁴ Federal aid to public health, higher education, forest reserve, and charitable institutions.

⁵ Current and delinquent collections from state levies (\$3,781,467.19); includes school apportionment clearings of \$18,409.72 from current school fund delinquent property tax collections.

⁶ Gross collections less \$33,648.26 refunds.

⁷ Includes \$107,758.70 collected under Business Tax Law of 1933 (expired 1935).

⁸ Includes \$385,767.22 from regulatory fees.

⁹ Net profit of state operations available for general governmental purposes (\$2,790,000), plus 10 per cent liquor sales tax (\$1,462,843.97).

¹⁰ Cigarette, conveyance, fuel oil, admissions, compensating, horse racing (pari-mutuel betting), express company privilege tax, and Revenue Act registrations, penalties and interest.

¹¹ Interest from deposits, current investments, and permanent investments, which interest is not earmarked for insurance or retirement funds.

¹² Includes fish and game receipts, agricultural fees, and miscellaneous fines, fees, rentals, and licenses.

¹³ Current deficit to balance expenditures met primarily from cash on hand and outstanding warrants.



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JAMES K. HALL

Seattle, Washington
June, 1939

45868

CONTENTS

	PAGE
ACKNOWLEDGEMENTS	iii
I. INTRODUCTION	1
II. STUDY OF PROBATED ESTATES	7
A. Scope of Study	7
B. Relative Proportions of Property, by Classes	9
C. Composition of Estates as Reported in Comparable Investigations	12
D. Composition of Wealth, Federal Trade Commission Survey (1926)	14
E. Composition of Property in Probated Estates in Washington, by Counties and by Years	19
F. Detailed Composition of Estates Probated in Washington	19
G. Composition of Intangible Property in Estates Probated in Washington	23
H. Composition of Property Values in Estates Probated in Washington Classified According to Size of Estate	23
I. Composition of Property in the Typical (Average) Estate for Each Size Class for Estates Probated in Washington	26
J. Composition of Property Values in All Estates of \$500,000 and Above for Estates Probated in Washington	26
K. Composition of Property Values in All Estates Classified According to Size of Estate for Estates Probated in Washington	30
L. Composition of Intangible Property Classified According to Size for Estates Probated in Washington	30
M. Per Cent Number of Estates and Types of Property in Estates Probated in Washington Classified According to Size	31
N. Relative Distribution of Property Among Different Types of Communities	34
III. STATE AND LOCAL TAXATION IN WASHINGTON	37
A. State and Local Tax System	37
B. Distribution of the Washington Tax Burden	41
C. Distribution of the Property Tax Burden	42
IV. CONCLUSION	48
APPENDIX—Worksheet for listing of data from Washington probate files	54
BIBLIOGRAPHY	55

TABLES

TABLE NUMBER	PAGE
I. Washington Revenue Sources	2
II. Comparison of Washington Property Tax Levies and Collections, 1930-1938	5
III. Shift from Property to Excise Taxation in the Financing of Washington State and Local Government, 1931-1938	6
IV. Number of Probated Estates in Washington Survey	10
V. Composition of Property in Estates Probated in Washington	11
VI. Composition of Values of Estates in Surveys of Probated Estates	15
VII. Relative Distribution of Realty and Personalty as Indicated by Probate Data (1912-1923, Inclusive)	16
VIII. Relative Distribution of Personal Property as Indicated by Probate Data (1912-1923)	18
IX. A. Estates of \$1,000,000 and Over Probated in New York, Philadelphia, and Chicago, 1918-1923, Inclusive, Grouped on a Basis of Size	20
B. Relative Distribution of Realty and Personalty in 540 Estates of \$1,000,000 and Over, 1918-1923, Grouped on a Basis of Size	20
C. Relative Distribution of Personal Property in 540 Estates of \$1,000,000 and Over, 1918-1923, Grouped on a Basis of Size	20
X. Composition of Property in Estates Probated in Washington, by Counties, by Years	21

CONTENTS—(Continued)

	PAGE
XI. Detailed Composition of Estates Probated in Washington	22
XII. Composition of Intangible Property in Estates Probated in Washington	23
XIII. Composition of Property Values in Estates Probated in Washington Classified According to Size of Estate	24
XIV. Composition of Property in the Typical (Average) Estate for Each Size Class	26
XV. Composition of Property Values in All Estates of \$500,000 and Above	27
XVI. Composition of Property Values in All Estates Classified According to Size of Estate for Estates Probated in Washington	29
XVII. Composition of Intangible Property Classified According to Size for Estates Probated in Washington	30
XVIII. Per Cent Number of Estates and Types of Property in Estates Probated in Washington Classified According to Size	32
XIX. Estimated Distribution of Inheritances, United States 1935 Estate Values (After Deduction of Federal Estate Taxes)	34
XX. Relative Distribution of Property Among Different Types of Communities	36

CHARTS

CHART NUMBER	PAGE
I. The Washington Revenue Dollar	3
II. Composition of Property in Estates Probated in Washington	11
III. Composition of Property in Estates Probated in Washington During 1928, 1933, and 1935, by Counties	12
IV. Composition of Intangible Property in Estates Probated in Washington During 1928, 1933, and 1935, by Counties	24
V. Composition of Property in Estates Probated in Washington Classified According to Size	25
VI. Composition of Property In All Estates of \$500,000 and Over in Estates Probated in Washington	28
VII. Composition of Intangible Property Classified According to Size for Estates Probated in Washington	31
VIII. A. Percentage Number of Estates and Types of Property in Estates Probated in Washington Classified According to Size	32
B. Comparison of Number of Estates and Total Value of Property in Each Size Group in Estates Probated in Washington	33

FIGURES

FIGURE I. Counties in Which Studies of Probated Estates Were Made	8
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45568

APPENDIX

CLASSIFICATION OF PROPERTY SHOWN UPON INVENTORIES OF ESTATES

(Taken from Inventories filed with Clerk of the Superior Court)

County-----

Year-----

Docket Number	ATTORNEY	NAME OF DECEDENT	OCCUPATION	Age	Male	Female	Rural	Urban	REAL ESTATE		TANGIBLE PERSONALTY		INTANGIBLE PERSONALTY					
									Land	Improve- ments	Household Goods and Pers. Effects	Other	GOVERNMENTAL SECURITIES			CORPORATE SECURITIES		Other Intangibles
													U.S.	State and Local	Foreign	Bonds	Stocks	

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