

STATEMENT BY J. STROM THURMOND, GOVERNOR OF SOUTH  
CAROLINA ON FINANCIAL CONDITION OF THE STATE.  
SEPTEMBER 19, 1950.

Early this year, it became apparent to the Budget Commission that, because of a slump in agriculture and industry, our tax revenues would fall below the previous estimate of the Tax Commission and the State Auditor by approximately \$8,000,000.

The Budget Commission informed the Legislature of this fact, stating that the Commission had issued an order reducing current expenditures to prevent a deficit. The Legislature, however, preferred to provide for additional revenue rather than to reduce expenses. Accordingly, tax adjustments were made to provide approximately \$9,500,000 in additional revenue, sufficient to prevent an unbalanced budget as well as to provide for the forthcoming year.

As a result, the operating deficit has been eliminated, and sufficient funds provided for a sound operation safely within the budget this year.

This is in line with my often stated policy of operating the State within its income on a business-like basis, a policy which will be continued so long as I am Governor. I feel that government should stay within its income just as private individuals and businesses are forced to do.

Original  
J. Strom Thurmond  
Governor

2225. [2] 23-2)

COPY OF FINANCIAL STATEMENT FURNISHED BY STATE  
AUDITOR TO STATE BUDGET AND CONTROL BOARD,  
SEPTEMBER 19, 1950.

GENERAL FUND  
GAIN AND LOSS STATEMENT  
FISCAL YEAR 1949-50

<u>Revenue</u>		
General Revenue		64 855 930 10
Public Service Assessment		<u>145 522 67</u>
Total Revenue		65 001 452 77
<u>Operating Expenses</u>		
Appropriations	61 795 363 33	
Aid to Subdivisions	<u>11 368 863 77</u>	
Total		<u>73 164 227 10</u>
Net Operating Loss		<u>8 162 774 33</u>

ANALYSIS OF CHANGE IN SURPLUS  
FISCAL YEAR 1949-50

Surplus July 1 1949	3 922 660 38
Deduct: Operating Loss 1949-50	<u>8 162 774 33</u>
Deficit June 30 1950	<u>4 240 113 95</u>