

Explanation of Estimates of Receipts
and Expenditures for the year ending
December 31, 1894

- I. For the purpose of facilitating the understanding of the financial exhibit for this year there has been prepared three tables, Nos. I, II, & III respectively. Table No. I exhibits the condition of the surplus and reserve funds and the estimated receipts and expenditures during the year. Tables Nos. II and III are merely explanatory of Table No. I - their totals agreeing with the latter table. A statement of the domestic and foreign indebtedness of the Empire exhibiting intended payments is attached.
- II. The revenues, particularly those from lands under cultivation, have been estimated upon the basis of the crops of last year, taken in connection with various beneficial changes in the law, and it is thought that in consequence of the more perfect systems now in operation there has been no mis-calculation. The use of terms in the arrangement of tables may appear in some cases inexplicable but it is thought they will be readily understood.
- III. The expenditures are calculated

upon estimates made by the various departments of the Government based upon actual expenditures for the past year. All objects involving expenditure of any kind have been carefully considered with a view to prevent any miscalculation.

IV. As it is impossible to foresee unexpected calls upon the Treasury, it has been thought proper to estimate a very liberal Contingent fund, thereby providing for extraordinary demands.

V. The sum deducted from the usual estimates for the Imperial Household together with the taxes levied upon Salaries and annual allowances, will be applied to the Contingent fund of the army and navy - less, however, the sum of five hundred thousand Yen; which will be applied to the ordinary expenses of the navy.

VI. The expenses of the newly established Interior or Home Department being rather difficult to estimate are not provided for specifically, but will be borne by the Great Contingent Fund.

VII. As the Documentary Stamp duty is a new system of taxation - having first

the statement published in Proclamation N^o 52 of last year - the excises having been added to the reserve fund.

XII. The surplus in excises above named and the various repayments from the debtors of former provincial governments, as well as the receipts from railways, mines, telegraphs and miscellaneous receipts from different departments, have been carried to the reserve fund for the redemption of the public debt. Such part of this fund shall be used for mining and kindred purposes will be but temporary outlays, and will result eventually in greatly increasing the reserve.

XIII. After careful examination of the indebtedness of the Government it has been found that the amount of the domestic debt is considerably less than published in last year's statement.

XIV. The loan recently contracted in London forms a part of the reserve fund and in accordance with the proclamation of December last the Government with this sum is prepared to liquidate certain annual allowances by the payment of a fixed sum - a sinking fund.

been levied in June last - the law has not been rigidly enforced, but it is thought that as it is now quite well understood the receipts of last year, upon which the present estimates are based, will be considerably exceeded.

VIII.

In estimating the value of rice the average prevailing prices throughout the country for the last five months of the past year have been taken as a basis and it is thought that if there should be any variation in the value it will be but slight.

IX.

A Mexican dollar is calculated as the equivalent of one peso and one cen (1 $\frac{100}{100}$ pesos) and a pound sterling as the equivalent of four pesos and eighty eight cens (4 $\frac{88}{100}$ pesos).

X.

Out of the revenues for the present year the sum of five millions pesos will be employed in the redemption of the currency.

XI.

The real surplus for the year 1873 exceeded the amount named in the accompanying tables, the amount there appearing agreeing with

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Table No. I

General Account for the year ending December 31st 1874

Surplus and Reserve Fund

Item No I	Surplus for the year ending December 31 st 1873	Yrs	2,141,265	
2	Reserve Fund - Special		27,368,599	
3	Total Surplus and Reserve Fund			29,509,864

Estimated Gross Receipts - Ordinary

Section I

4	Taxes derived from Lands under cultivation and from Title Deeds		44,603,332	
5	Taxes on Servants, Carriages and pleasure boats		65,000	
6	Tonnage duties on vessels		42,164	
7	Special Taxes on Silk Worms		190,300	
8	Shooting Licenses		50,400	
9	Taxes on horses and cattle		36,495	
10	Taxes on trades and miscellaneous productions		902,716	
11	Harbor dues		40,013	
12	Total Section I			45,930,420

Section II

13	Taxes on fermented productions & wines		911,800	
14	" " oils		55,100	
15	Total Section II			966,900

Section III

16	Post office		329,606	
17	Documentary Stamp Duties		794,000	
18	Stamp Duties on Silk " " " "		153,400	

		<u>Section IV</u>		
Item No. 20	Customs Receipts at Yokohama		1,209,177	
21	" " " Niogo		312,220	
22	" " " Osaka		55,916	
23	" " " Nagasaki		119,776	
24	" " " Niigata		368	
25	" " " Katodate		19,458	
26	Total Section IV			1,716,915

		<u>Section V</u>		
27	Special Tax on Grain			
28	Taxes for Irrigation purposes			
29	Total Section V			2,549,198

		<u>Section VI</u>		
30	Mines			
31	Railways			
32	Telegraphs		39,260	
33	Total Section VI			1,058,113

		<u>Section VII</u>		
34	Lew Chew Islands			37,761

		<u>Section VIII</u>		
35	Salary Tax		75,390	
36	Tax on annual allowances		2,094,699	
37	Total Section VIII			2,170,089

		<u>Section IX</u>		
38	Imperial Household - special			36,000

39	Total Estimated Gross Receipts - Ordinary			55,642,702
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Estimated Gross Receipts - Miscellaneous

Section I

Item No. 40	Repayment of principal of debt due the Government and interest upon the same	1,884,582	
41	Miscellaneous Receipts, Fines, Penalties etc.	1,501,895	
42	Sale of Public Lands	256,927	
43	Amount deposited with officers of former Han Government, on account of circulation of Hansatz - to be paid into Treasury	71,666	
44	Total Estimated Gross Receipts - Miscellaneous		<u>3,715,070</u>

Recapitulation

45	Surplus and Reserve Fund as per Item No. 3	29,509,864	
46	Estimated Gross Receipts - ordinary - as per Item No. 39	55,642,702	
47	" " " " miscellaneous - " " " 44	3,715,070	
48	Total		88,867,636

Estimated Gross Expenditures - Ordinary

Section I

49	Redemption of, and interest upon, Public Debt	2,596,483	
50	Shimonoseki Indemnity	1,515,000	
51	Total Section I		4,111,483

Section II

52	Pensions	1,042,982	
53	Annual Allowances to former Daimios & their Retainers	19,484,911	
54	Allowances for Temples etc.	236,797	
55	Total Section II		20,764,690

Section III

56 Repairs to Public Buildings and Water Courses. 1,436,219

Section IV

57 Council of State 697,450

Section V

58	Foreign Department	170,000	
59	Finance "	1,412,115	
60	War "	8,000,000	
61	Navy "	2,500,972	
62	Educational "	1,300,000	
63	Ecclesiastical "	77,400	
64	Public Works "	5,527,516	
65	Judicial "	900,000	
66	Imperial Household	742,578	
67	Kiatakushi, Yoro	1,682,899	
68	Local Governments of Tokai, Kyoto & Osaka	605,300	
69	" " Yokohama, Niogo, Nagasaki & Hakodate	301,050	
70	Provincial Governments	2,548,029	
71	Total Section V		25,767,859

Section VI

72 Expenses of assaying etc. 107,495

Section VII

73	Police Courts and Officers	1,110,415	
74	Comptables etc	184,380	
75	Total Section VII		1,294,795

Section VIII

76	Japanese Legations & Consulates		363,235
77	Total Estimated Gross Expenditures - Ordinary.		<u>54,543,226</u>

Estimated Gross Expenditures — Special

Section IX

Item No. 78	Issuing of Paper Currency	249,193	
79	Issuing of Government Bonds and Stamps	124,435	
80	Expenses attending exchange of Currency	242,052	
81	Transportation of Grain	95,997	
82	Purchase of Takasima Mine	404,000	
83	Exhibition in England	9,500	
84	Contingent Fund — Army & Navy	1,706,089	
85	" " — General	4,795,352	
86	Total Estimated Gross Expenditures Special		<u>7,626,118</u>

Recapitulation

87	Estimated Gross Expenditure — ordinary — as per Item No. 77.	54,543,226	
88	" " — special " " " 86	7,626,118	
89	Total		<u>62,169,344</u>

General Summary of Table No. I

90	Surplus and Reserve Fund and Estimated Receipts as per Item No. 48	88,867,636
91	Estimated Expenditures as per Item No. 89	<u>62,169,344</u>
92	Balance	26,698,292
93	Proposed redemption of currency during the year	<u>5,000,000</u>
94	Estimated Surplus & Reserve December 31 st 1874	<u>21,698,292</u>

Table II

Revenue Account for the year ending December 31st 1874 — exhibiting the estimated receipts from general and specific sources during said year, and the estimated expenditures from such receipts

Receipts — Special

Item No. 1 Surplus of year 1873 — appropriated to this account 2,141,265

Estimated Receipts — Ordinary

Section I

2	Taxes derived from Lands under cultivation and from Title Deeds	44,603,332	
3	Taxes on Servants, Carriages & Pleasure boats	65,000	
4	Tonnage duties on vessels	42,164	
5	Special Taxes on Silk Worms	190,300	
6	Shooting Licenses	50,400	
7	Taxes on Horses and Cattle	36,495	
8	Taxes on Trades and Miscellaneous productions	902,716	
9	Harbor Dues	40,013	
10	Total Section I		45,930,420

Section II

11	Taxes on fermented productions & wines	911,800	
12	" " oils	55,100	
13	Total Section II		966,900

Section III

14	Post Office	329,606	
15	Documentary Stamp Duties	794,000	
16	Stamp duties on Silk Thread	53,700	
17	Total Section III		1,177,306

Section IV

Item No. 18	Customs Receipts at Yokohama	1,209,177	
19	" " " Niogo	312,220	
20	" " " Osaka	55,916	
21	" " " Nagasaki	119,776	
22	" " " Niigata	368	
23	" " " Hokodate	19,458	
24	Total Section IV		1,716,915

Section V

25	Special Tax on Grain	2,387,956	
26	Taxes for Irrigation purposes	161,242	
27	Total Section V		2,549,198

Section VI

28	Low Chew Islands		37,761
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Section VII

29	Salary Tax	75,390	
30	Tax on Annual allowances	2,094,699	
31	Total Section VII		2,170,089

Section VIII

32	Imperial Household - Special		36,000
33	Total Estimated Receipts - ordinary		<u>54,584,589</u>

Estimated Receipts - Special

Section IX

34	Repayment of principal of debts due the Government and interest upon the same	1,242,181	
35	Miscellaneous Receipts, fines, penalties &c.	505,101	
36	Total Estimated Receipts - Special		<u>1,747,282</u>

Recapitulation

Item no. 37	Surplus of year 1873	2,141,265	
38	Total Estimated Receipts - ordinary	57,584,589	
39	" " " - special	1,747,282	
40	Total		58,473,136

Estimated Expenditures - OrdinarySection I

41	Pensions	1,042,982	
42	Annual allowances to former Daimios & their Retainers	19,484,911	
43	Allowances for Temples &c.	236,797	
	Total Section I		20,764,690

Section II

44	Repairs to public buildings and water courses		1,436,219
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Section III

45	Council of State		697,450
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Section IV

46	Foreign Department	170,000	
47	Finance "	950,000	
48	War "	8,000,000	
49	Navy "	2,500,972	
50	Educational "	1,300,000	
51	Ecclesiastical "	77,400	
52	Public Works "	843,950	
53	Judicial "	900,000	
54	Imperial Household	742,578	
55	Kiatakushi, Yeo.	1,682,899	
56	Local Governments of Tokai, Kioto & Osaka	605,300	
57	" " " Yokohama, Kiogo, Nagasaki & Hakodate	301,050	
58	Other Governments	2,578,029	
59	Total Section		20,622,178

General Summary of Table No. II

Item No. 78	Estimated Receipts as per Item No. 40	58,473,136
79	Expenditures " " 76	<u>52,804,685</u>
80	Balance	5,668,451
81	Proposed Redemption of paper currency during the year	<u>5,000,000</u>
82	Estimated Surplus December 31 st 1874	<u>668,451</u>

Table No. III

Reserve Fund Account - exhibiting the amount of the Reserve January 1st 1874 and the estimated additions to and subtractions from the fund during the year ending December 31st 1874

Item No. 1	Reserve Fund - January 1 st 1874	27,368,599
Estimated Additions		
Section I		
2	Mines	296,757
3	Railways	722,096
4	Telegraphs	39,260
5	Total Section I	1,058,113
Section II		
6	Miscellaneous Receipts, etc. - Iron Works	106,195
7	Repayment of sum due the Government on account of circulation of Kinsats, with interest upon the same	136,745
8	Repayment of Loans made by former Daimios to various people - payment assigned to the Government	505,656
9	From former Han Governments, unredeemed security for circulation of Nansats	71,666
10	Miscellaneous receipts etc. - coinage fees	833,091
11	" " sale of useless articles	57,508
12	Sale of Public Lands	256,927
	Total Section II	1,967,788
	Total Reserve & Additions	<u>30,394,500</u>

Estimated Subtractions

	<u>Section I</u>		
15	Redemption of Principal - Domestic debt	249,223	
16	Interest upon domestic debt	661,769	
17	Redemption of principal - Foreign debt	488,000	
18	Interest and commission upon Foreign debt	1,197,491	
19	Shimonoseki Indemnity	1,515,000	
20	Total Section I		4,111,483

	<u>Section II</u>		
21	Finance Department - Mint		462,115

	<u>Section III</u>		
22	Public Works Department - Telegraph expenses & Construction Accounts	472,130	
23	" " " Mines	1,348,920	
24	" " " Railways	2,520,535	
25	" " " Engineering	341,981	
26	Total Section III		4,683,566

	<u>Section IV</u>		
27	Expenses of assaying, etc.		107,495

28	Total estimated Subtractions		9,364,659
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General Summary of Table No III

29	Total Reserve Fund and estimated additions as per item no. 14	30,394,500
30	" Estimated Subtractions	9,364,659
	Estimated Reserve Fund December 31 st 1874.	21,029,841

Foreign and Domestic Indebtedness

Domestic Debt - drawing 4 per cent interest	11,237,750
" " " " " " " " " " " "	1,580,200
" " not drawing interest	9,232,553
Total Domestic Indebtedness	<u>22,050,503</u>
Amount to be paid during year ending December 31 st 1874	249,223
	<u>21,801,280</u>

Foreign debt - drawing 9 per cent interest	3,859,592
" " " " " " " " " " " "	11,712,500
" " not drawing interest	1,515,000
Total Foreign Indebtedness	<u>17,086,592</u>
Amount to be paid during year ending December 31 st 1874	2,003,000
Balance December 31 st 1874	<u>15,083,592</u>

Domestic Debt	21,801,280
Foreign Debt	15,083,592
Total	<u>36,884,872</u>