

APPENDIX "D"

*Issued by Ministry of Finance*

C I R C U L A R

concerning the establishment of the Budget  
Preparation for the year 1955

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Fore words

By the circular No 33-Cir/Cab/F. of Aug, 25th, 1953, the Government has fixed a unified form for the establishment of the Budget Project for 1954.

These instructions proved to be very convenient when carried out; the Budget Projects in 1954 were presented in the same form and paper size. During to this, their study and statistical work were much more eased than in previous years.

The Budget Project for 1955 will be established in the form fixed by the above - mentioned circular, with some new regulations to fit the existing situation created by the Geneva agreements and the decree No 21 of April 4th, 1954, which abolished the personality of local administrations and incorporated the Budgets of the different parts (of Vietnam) into the National Budget, from January 1st, 1955 forth.

Therefore, for 1955, only the following budgets remain:

1. National Budget
2. Budget of the P.M.S.
3. Budget of Saigon-Cholon
4. Budget of Danang City
5. Budget of Haiphong City (from 1 - 1 - 1955 to 5 - 22 - 1955)

Chapter I

Nomenclature of the Budget

As local budgets will be incorporated into the National Budget from 1-1-1955 forth, the different articles of the Budget for 1955 will be altered according to the documents included hereafter (the list of the articles of the National Budget for 1955 has been sent to the various bureaux, joined to the note No 3384-BTC/NS of 12-2-1954).

As has been the case for last year, the Budget for 1955 will be presented on 20/30 paper size.

The printing and distribution of the forms will be carried out by the Minister of Finance. The various Ministries, the Deputy Agencies, the town-administration, the Agency for the PMS are required to let the Ministry of Finance know the numbers of forms they need when they send it their projects.

## Chapter II

A.- As for last year, the National Budget for 1955 include two kinds of documents:

- 1. law and various legislative statements.
- 2. appended documents

the establishment of these must be done by the Ministry of finance using the documents turned in by the ministries and bureaux concerned, made in the 1954 model, i. e. including:

a) 3 lists of legislative statements:

- list A: for civil expenditures
- list B: for military expenditures
- list C: for the repartition of expected receipts

b) Appended documents: 3 categories

1/ Category 1 for expected receipts, including:

- a) summary tables in chapters of expected receipts.
- b) detailed analytical tables in articles and paragraphs of the above-said expected receipts

2/ Category 2 for civil expense, including:

- a) recapitulative table
  - in sections and chapters of projected expenses
  - of expenditures for personnel (model C)
  - of expenditures for material (model D)
  - number of personnel
- b) analytical tables:
  - of expenditures for personnel (model I, Ia, Ib, Ic)
  - of expenditures for material (model 2, 2a, 2b)

3/ Category 3 for expected military expenditures including:  
1 analytical table of expected expenditures and 1 summary table of expected expenditures.

The total of expected expenditures in the National Budget for 1955 will be determined later, according to the amount of allowances and aid from friend-countries and will be given the last touch jointly by the Ministry of Finance and the Ministry of Defense.

B.- Formalities applied to the establishment of appended documents for receipts.

These documents will be presented in the same paper-size as the summary tables (model F & G) and will be established by taxation bureaux.

The different lists of expected receipts have to be turned in to the Ministry of Finance before 12-15-1954.

Proposals to increase taxes or to change basic activity to increase national income must be presented with documentary arguments:

- 1 report
- 1 project document
- 1 estimative list of expected receipt for the whole year

About this subject, I would like the Agencies to note:

- a) The expected receipts previously listed in local budgets, according to the nature of taxes and the amount of receipts for each Ministry.
- b) the profits made by technical agencies taken over from French authorities since 9-16-1954

C.- Formalities applied to the establishment of appended documents concerning civil expenditures.

These expenditures include:

- a) expected expenditures of the various Ministries and Agencies.
- b) expected expenditures of local agencies incorporated into the Ministries, by Ordinance No 21 of Aug - 4 - 1954
- c) expected expenditures of agencies taken over from French authorities on Sep 16th, 1954.

The expenditures for refugees still figure on the "Account for Assistance for Refugees" as for last year.

These expected expenditures tables have to be established in 2 copies and sent to the concerned Ministry to be transmitted to the Ministry of Finance

The Agencies and Bureaux directly subordinate to the Ministry of Finance may establish and sent those expected expenditures tables directly to the Budget Service.

The Ministries have to use necessary methods that the Ministry of Finance may receive all the expected expenditures tables before the Dec 15, 1954.

**D.- Formalities applied to the establishment of expected expenditures.**

**1/ Personnel**

The amount of expected expenditures will be computed for the whole year, based on:

- the current wages including allowances, according to existing decrees.
- the number of personnel, except the refugeeed officials of Oct 31, 1954 (with copies of pay rolls of October 1954) and according to models I, Ia, Ib, Ic, Id, Ie, If, Ig, Ih, and Ii

The number of personnel in Agencies could not be increased except in case of temporarily recruiting cadre personnel in the form defined by cable No 7382 of July 27, 1954 and by Circular No 1035-PTT/TTK of Aug 5th, 1954.

In any case it is not possible to fix extraordinary expenditures as special allowances to the personnel.

For refugeeed officials, a list established after model Id, If, and Ih will be sent to the Ministry of Finance (Budget Bureaux) in the same time as the expected expenditures for existing personnel.

**2/ Material.**

About this, our instructions in Note No 38 TC of Aug 13, 1954 should be strictly followed. Except for some special cases justified by clear documents, the expected expenditures can't exceed the expenditures granted in 1954.

The expected expenditures tables must be made after model 2, 2a, 2b, 2c, 2d, 2e, 2f and 2g and enclosed to the tables of expected expenditures and accounts for 1954, up to Oct 31, 1954.

The expected expenditures for some special articles will be as follows:

- a) Furniture purchase and repair.
  - It is forbidden to buy luxury articles.
- b) Repairing of public cars: No purchase of new small cars
  - Estimative repair expenditures foreach: 12.000\$
- c) Driver's and messenger's leveries
  - Basis of 850\$ per year for each person

- d) Repairing of typewriters, calculators and mimeographs  
- Expected expenditures for each: 200\$

3/ Special expenditures

To the tables for these must be joined detailed documents in proof:

The following chapters, supported by the National Budget or foreign aid, must be established after model H x F and based on a working plan:

0.1523	0.2161	0.2162	0.2163	0.2183	0.2413	0.3113
0.3114	0.3133	0.3143	0.5113	0.5123	0.5163	0.5173
0.5183	0.5184	0.5185	0.5186	0.5187	0.5188	0.5189
0.6213	0.6313	0.6423.				

Particularly for the following chapters; the Ministries & Bureaux must pay special attention to the following explanatory instructions:

Chapter 0.1413 - Expenditures for political operations.

The proposals about special funds must be sent to the Presidency to be considered and decided before going to the Ministry of Finance.

Chapter 0.2224. Allowances to various Budget.

As local budget are incorporated into the National Budget, the Deputy Agencies of the different parts have to submit the amounts of allowances for balancing provincial and municipal budgets.

Chapter 0.2225. The miscellaneous allowances are listed in a table according to model J

- 4/ Expenditures of closed financial year.  
- Use model K.

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Chapter III

Preparation of the PMS Budget and Municipal Budgets. These budgets must be prepared by competent Agencies and sent to the

Ministry of Finance in 2 copies (written in French) (for technical reasons) before Dec 15, 1954.

These documents will be presented, as for last year, in former chapters and articles (except for changes mentioned in chapter I of this Circular), and include the following:

- 1 report
- 5 summary tables
- a/ summary table of expected receipts in chapters and articles
- b/ summary table of expected expenditures in chapters and articles.
- c/ summary table of expenditures for personnel
- d/ summary table of expenditures for material
- e/ summary table of the number of personnel
- analytical tables of expected receipts and expenditures

The expected expenditures for personnel, material and the especial expenditures must be computed according to the explanatory instructions mentioned in the present Circular, in chapter II and prepared after appended documents.

Particular for the PMS budget, the following chapters must be prepared after model H & I and based on a working plan.

1.2433	1.2453	1.2483	1.3123	1.3153	1.5183
1.5187	1.5188	1.5189	1.6123	1.6133	1.6213

#### Chapter IV

##### Preparation of independent budgets.

The independent budgets will be established according to the current forms, and sent to the Ministry of Finance in 2 copies written in French, before Dec 15, 1954.

As for joint-agencies whose status will be decided after the present Paris conference, the expected receipts and expenditures should be forecast only for the first trimester (quarter).

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Finally, I beg Messrs, the Ministers and Deputies (of the Governments in the Center and South V.N.), to notice the current deficit of the Budget, and to be careful in their estimation of their expenditures, especially on the outlays and allowances.

The Budget for the coming year still has to face heavy burdens of expenditures effected by the political, economical and social situation,

While the revenues will be reduced through the partition of the Country, I hope that the Ministries and Agencies must diminate all the luxury expenditures, in order to spare resources to restore the national economy, to reform our society and bring back peace to our country.

Saigon, Dec 4, 1954

The Ministry of Finance

TRAN\*HUU\*PHUONG