more than $1.00 per recipient occurred in 18 States. These increases were concentrated largely in the 33 States that receive additional Federal funds under the new matching provisions on the basis of their per capita incomes.

On the other hand, among the States that did not gain additional Federal funds under the variable matching provisions (the 16 highest-income States, Alaska, and Hawaii), there were increases of more than $3 in the average payment per recipient in only two States for old-age assistance, in two States for aid to the blind, and in five States for aid to the permanently and totally disabled. Five States in this group reported an increase of more than $1 per recipient in aid to dependent children.

For each program, increases or decreases of less than $1 occurred in an appreciable number of States. To a considerable degree, changes of this magnitude were attributable to normal fluctuations rather than to changes in policies or procedures. All the declines of more than $1 in the average payment per recipient were confined to the three adult categories and in most instances resulted from sizable decreases in vendor payments for medical care. The vendor-payment component of total assistance payments is subject to considerable variation because of uneven and fluctuating time lags between the month the service is provided and the month the payment is made.

For the four federally aided programs combined, the monthly rate of total assistance payments, including vendor payments for medical care, increased from $255 million in September to $266 million in December. Most of this increase represented the effect of the additional Federal funds made available by the 1958 amendments.

State Income-Tax Laws on OASDI Benefits and Contributions*

Almost all States with income-tax laws follow the Federal tax rule of exempting old-age, survivors, and disability insurance benefits from income tax, and a majority of these States also follow the Federal rule of not permitting the amount of the employee's social security contributions to be deducted from income subject to tax.

Among the 34[1] States with personal income-tax laws, only Massachusetts, Mississippi, and Indiana do not exclude from the State income tax all benefits received under the old-age, survivors, and disability insurance program. Massachusetts exempts the lump-sum payment and the monthly benefits payable to dependents and survivors but does not exempt old-age (primary) benefits payable to retired workers. Mississippi exempts the lump-sum payment and the monthly benefits payable to survivors but not the monthly benefits payable to retired workers and their dependents. Indiana exempts the first $3,000 received in a year from public and private pensions.

The social security contributions of workers are subject to somewhat greater variation in tax treatment by the States. Twenty-four States require the social security contributions to be included in the amount of income subject to tax. Eight States permit these contributions to be deducted from the amount of income that is subject to tax. Two States distinguish between the contributions of the self-employed and those made by employed persons: In Iowa the contributions of employees, but not those of the self-employed, are deductible; in Oregon the reverse is true. Of the 10 States in which some or all social security contributions are deductible from income for tax purposes, all but one (Massachusetts) also exempt all old-age, survivors, and disability insurance benefits from income tax.

The 34 States with personal income-tax laws are grouped below in four categories, according to their treatment of old-age, survivors, and disability insurance benefits and employee contributions.

Benefits not taxable—

Contributions not deductible:

Alaska	Montana
Arizona	New Mexico
Arkansas	New York
California	North Carolina
Colorado	North Dakota
District of Columbia	Oklahoma
Georgia	Oregon[2]
Idaho	Puerto Rico
Indiana[1]	South Carolina
Kentucky	Utah
Maryland	Vermont
Minnesota	Virginia

Contributions deductible:

Alabama	Kansas
Delaware	Louisiana
Hawaii	Missouri
Iowa[3]	Wisconsin

Benefits taxable—

Contributions not deductible:
Mississippi[4]

Contributions deductible:
Massachusetts[5]

[1] The first $3,000 received each year from all private and public pensions, including old-age, survivors, and disability insurance, is exempt from gross income tax. Railroad retirement benefits are wholly nontaxable.

[2] Employee contributions are not deductible; those made by the self-employed are deductible.

[3] Employee contributions are deductible; those made by the self-employed are not deductible.

[4] Benefits to retired workers and their dependents are taxable; lump-sum payments and survivor benefits are not taxable.

[5] Benefits to retired workers are taxable; neither benefits to dependents and survivors nor lump-sum payments are taxable.

[1] New Hampshire and Tennessee, which levy a personal income tax only on interest and dividend income, are excluded from this analysis. Sixteen States have no personal income-tax laws.

* Prepared by Warren J. Baker, Division of Program Analysis, Bureau of Old-Age and Survivors Insurance.

International Conference on Homemaker Services*

The first International Conference on Homemaker Services was held in Zeist, Holland, in May 1959. The representatives from 13 countries who took part in the conference included one from Canada; two from Norway; four each from Austria, Finland, and the United States; five from Italy; six each from Sweden and Switzerland; 17 from Germany; 18 from France; 23 from Great Britain; 25 from Belgium; and 36 from the Netherlands. Among those attending were two directors general of health, welfare, and education ministries who participated actively throughout the conference, as well as other officials from such agencies; members of voluntary and public organizations providing homemaker service or having a broader function; workers in health and welfare associations; representatives from schools of social work; directors of schools for the training

* Prepared by Maude Morlock, formerly of the Children's Bureau, who was a United States delegate to the conference.