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## Abstract

*This article puts forth revenues used to find technique when the through tax-exempt K. charities demonstrates that large successful charities generate a sizable portion of revenues from direct-trading activities.*

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1. See Cornes and Sandler (1984) and Olson (1965) on technological jointness.
2. At equilibrium,  $MRS^1_{zx}$  may be quite large, especially for those public goods whose equilibrium supply deviates greatly from the optimum quantity. The exact size of  $MRS^1_{zx}$  depends on the number of units consumed. Joint supply helps induce donors to contribute, but need not lead to optimality.
3. Income and Corporation Taxes Act (1978, S. 360(1)(e)).
4. Income and Corporation Taxes Act (1978, S. 248).
5. "The problem at which this tax on unrelated business activity is directed here is that of unfair competition. The tax-free status of these organizations enables them to use their profits tax-free to expand operations, while their competitors can expand only with the profit remaining after taxes" (U.S. Congress, 1950: 36).

6. The eight charities in Table 1 are among the ten largest fund-raising charities in Britain (see Charities Aid Foundation, 1984). Accounts were not available for the other two charities.

7. Clearly, our analysis could be expanded to include altruistic motives along with the self-interest motives depicted.

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