Estimated Amount of Securities Outstanding, Interest on Which is Wholly or Partially Exempt from the Federal Income Tax 1/
As of June 30, 1940

(In millions of dollars)

	Total	Wholly exempt 2/	Partially exempt 3/
All Tax-Exempt Securities			
Total amount outstanding	70,233	35,023	35,210
Less securities held by:			
U. S. Government	52	-	52
Federal agencies 4/	3,462	1,526	1,936
Federal trust funds 5/	4,982	4,666	316
Federal Reserve Banks	2,467	1,128	1,339
State and local sinking funds	1,608	1,535	73
State and local trust and investment funds	2,759	2,500	259
Territorial and insular sinking and trust funds	38	34	4
Total securities held by Governmental funds, etc.	15,368	11,389	3,979
Total privately-held securities	54,865	23,634	31,231
Securities of the United States Government			
Total amount outstanding	42,380	12,917	29,463
Less securities held by:			
Federal agencies 4/	1,834	239	1,595
Federal trust funds 5/	4,938	4,622	316
Federal Reserve Banks	2,458	1,128	1,330
State and local sinking funds	73	-	73
State and local trust and investment funds	259	-	259
Territorial and insular sinking funds	4	-	4
Total securities held by Governmental funds, etc.	9,566	5,989	3,577
Total privately-held securities	32,814	6,928	25,886
Securities of Federal instrumentalities guaranteed by the U. S. Government 6/			
Total amount outstanding	5,558	8	5,550
Less securities held by:			
U. S. Government	52	-	52
Federal agencies 4/	286	8	278
Federal Reserve Banks	9	-	9
Total securities held by Governmental funds, etc.	347	8	339
Total privately-held securities	5,211	-	5,211
Securities of Federal instrumentalities not guaranteed by the U. S. Government			
Total amount outstanding	2,251	2,054	197
Less securities held by:			
Federal agencies 4/	863	800	63
Federal trust funds 5/	44	44	-
Total securities held by Governmental funds, etc.	907	844	63
Total privately-held securities	1,344	1,210	134
Securities of State and local governments			
Total amount outstanding	19,891	19,891	-
Less securities held by:			
Federal agencies 4/	479	479	-
State and local sinking funds	1,535	1,535	-
State and local trust and investment funds	2,500	2,500	-
Total securities held by Governmental funds, etc.	4,514	4,514	-
Total privately-held securities	15,377	15,377	-
Securities of territories and insular possessions			
Total amount outstanding	153	153	-
Less securities held by:			
Territorial and insular sinking and trust funds	34	34	-
Total privately-held securities	119	119	-

Source: Estimates are based in part on a questionnaire survey of State and local government debt and specified funds conducted by the Division of State and Local Government of the Bureau of the Census, Department of Commerce, and in part on a questionnaire survey of territorial and insular debt and specified funds conducted by the Division of Territories and Island Possessions of the Department of the Interior.

Back Figures: Annual Report of the Secretary of the Treasury for 1939, pp. 508-512.

1/ The "Total amount outstanding" of tax-exempt securities of the several borrowers differs from the gross indebtedness of these borrowers in that the former excludes non-interest-bearing debt and taxable interest-bearing debt, both of which are included in the gross indebtedness of the borrowers. The "Total privately-held securities" differs from the net indebtedness of the borrowers in several additional respects. The former is derived by deducting from the total amount of tax-exempt securities outstanding, the amount of all tax-exempt securities held by the United States Government, Federal agencies, Federal Reserve Banks, and by public sinking, trust, and investment funds. Net indebtedness, on the other hand, is derived by deducting from the gross indebtedness an amount equivalent to the total volume of sinking fund assets of the respective borrowers, but makes no allowance for any other public assets.

2/ Securities the income from which is exempt from both the normal rates and surtax rates of the Federal income tax.

3/ Securities the income from which is exempt only from the normal rates of the Federal income tax. United States savings bonds and Treasury bonds are classified as partially tax-exempt securities although, by statutory provision, interest derived from $5,000 of principal amount of these securities owned by any single holder is exempt from the surtax rates as well as the normal rates of the Federal income tax.

4/ Includes Joint Stock land banks and Exchange Stabilization Fund.

5/ Excludes individual Indian Trust Funds.

6/ Includes certain obligations of the Tennessee Valley Authority which are "issued on credit of the United States".