ANNUAL REPORT OF THE

Secretary of the Treasury

ON

THE STATE OF THE FINANCES

FOR THE FISCAL YEAR
ENDED JUNE 30

1943

UNITED STATES
GOVERNMENT PRINTING OFFICE
WASHINGTON : 1944

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CONTENTS

	Page
Introduction	1
Need for additional taxes	3
Principles of wartime borrowing	5
Receipts in general and special accounts	8
Expenditures from general and special accounts	20
War expenditures	24
General expenditures	29
Deficit in general and special accounts	29
Receipts and expenditures in trust accounts and checking accounts of Government corporations and credit agencies	30
Financing the net budgetary deficit and other requirements	32
The public debt:	
Summary of financing operations	33
First period—July 1 through November 30, 1942	34
Second period—December 1, 1942, through March 31, 1943	36
Third period—April 1 through June 30, 1943	38
Securities on continuous sale	41
United States savings bonds	41
War savings stamps	54
Treasury notes, tax series and savings series	55
Treasury bills	56
Adjusted service bonds	57
Depositary bonds	57
Special issues	57
Special short-term certificates of indebtedness	57
Cumulative sinking fund	58
Composition of the public debt	58
Interest on the public debt:	
Expenditures	60
Interest rate structure	60
Computed interest rate	60
Debt limit	62
The guaranteed debt	63
Sources of funds for Federal borrowing	66
Value of production and corresponding gross money income of the country	67
Net absorption of Federal securities by investor classes	71
Individuals	73
Insurance companies and mutual savings banks	74
Other corporations and associations	75
Governmental accounts	76
Bank sources	77
Policy with respect to bank borrowing	77
General Fund	81
Taxation developments	82
Treasury proposals submitted in connection with the Revenue Act of 1942:	
Introduction	82
Individual income tax	83
Corporation taxes	87
Estate and gift taxes	91
Excise and sales taxes	91
Spendings tax	93
Social security	94
Renegotiation of war contracts	95

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Taxation developments—Continued. Page
Major features of the Revenue Act of 1942:
General statement 95
Individual income tax 96
Victory tax 98
Corporation taxes 99
Estate and gift taxes 104
Excise taxes 104
Social security taxes 105
Administrative procedure 106
Renegotiation of war contracts 106
Treasury proposals for current tax payment:
Need for current payment 106
Attitude toward cancelation 107
Suggestions for withholding 108
Current Tax Payment Act—major features 109
Other revenue legislation 111
Securities owned by the United States and proprietary interest in Government corporations and credit agencies:
Securities owned 113
Proprietary interest in Government corporations and credit agencies 114
Monetary developments:
International monetary cooperation:
Stabilization agreements 114
Post-war currency stabilization 116
Domestic monetary events 117
Customs Service in the war 119
Special procurement activities:
Lend-lease 120
Renegotiation of war contracts 120
Strategic and critical materials 122
Storage and warehousing 123
Utilization of Federal supplies and equipment 124
Foreign Funds Control activities 125
War contributions fund:
Conditional gifts 127
Unconditional donations 128
Salary stabilization and limitation 129
Changes in organization and procedure 132
Estimates of receipts 132
Fiscal year 1944 138
Income taxes 138
Miscellaneous internal revenue 145
Employment taxes 148
Total internal revenue 149
Railroad unemployment insurance contributions 149
Customs 149
Miscellaneous receipts 150
Fiscal year 1945 150
Income taxes 151
Miscellaneous internal revenue 153
Employment taxes 156
Total internal revenue 157
Railroad unemployment insurance contributions 157
Customs 157
Miscellaneous receipts 157
Estimates of expenditures 157

ADMINISTRATIVE REPORTS OF BUREAUS AND DIVISIONS

Fiscal Service of the Treasury Department 161
War activities of the Fiscal Service 161
Foreign depositaries 161
Currency destruction 162
Banking facilities for the War and Navy Departments in the United States 162

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Fiscal Service of the Treasury Department—Continued. Page
Accounts, Bureau of 163
Commissioner of Accounts, Office of:
Budgetary administration and financial reporting 163
Voting in time of war by members of the land and naval forces 163
Daily Statement of the United States Treasury 164
Annual appraisal of assets and liabilities of the Commodity Credit Corporation 164
Securities and funds, Philippine invasion 165
Advances to Federal Reserve Banks for industrial loans, etc 166
Appropriations and expenditures under the Social Security Act 166
Colorado River Dam fund 167
Division of Bookkeeping and Warrants 167
Financial reports 168
Division of Disbursement 168
Voluntary payroll allotment plan 169
Victory tax withheld 169
Bonding of certifying officers 169
Tabulating card checks 169
Agent cashiers 169
Staggered pay days and cash payments to employees 170
Continuation of accounts of Chief Disbursing Officer 170
Division of Deposits 170
Depositary functions 170
Designation of banks as depositaries for withheld taxes in accordance with the provisions of the Current Tax Payment Act of 1943 171
Depositary bonds 172
Designation of agencies for the issuance of war savings bonds, Series E 172
Federal savings and loan associations 173
Social security 173
Government losses in shipment 173
Section of Surety Bonds 175
Treasury Budgetary Section 176
Alien property trust fund 176
Philippine funds in the United States Treasury 177
Appropriation of funds to the Government of the Commonwealth of the Philippines for national defense 178
Supplementary sinking fund for the payment of bonds of the Philippines 179
Foreign check control 180
Section of Investments 180
Obligations of foreign governments 180
Receipts from Germany 182
Treasury administration of alien and mixed claims 183
Mixed Claims Commission and Private Law No. 509: Claims against Germany 183
War Claims Arbiter 185
Claims of German nationals 185
Claims of Hungarian nationals 186
German special deposit account 186
Tripartite Claims Commission: Claims against Hungary 187
Claims of American nationals against Turkey 187
Claims of American nationals against Mexico 188
Settlement of Mexican Claims Act of 1942 189
Railroad obligations 190
Section 204, Transportation Act, 1920, as amended 191
Section 207, Transportation Act, 1920, as amended 191
Section 210, Transportation Act, 1920, as amended 192

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Fiscal Service of the Treasury Department—Continued.
Accounts, Bureau of—Continued.
Section of Investments—Continued.
Federal control of railroads: Page
Administration 193
Finances 193
Securities, etc 193
Claims 194
Compensation payments—United States railroad employees 194
Canadian Workmen's Compensation Board 194
Tax refunds and other collections 194
Federal Farm Mortgage Corporation 194
Federal land banks:
Capital stock 195
Payments on account of reductions in interest rates on mortgages and subscriptions to paid-in surplus 196
Federal savings and loan associations 197
Trust and special funds invested by the Treasury Department 198
Liquidation of Emergency Relief Accounting Organization 198
Public Debt, Bureau of the 199
Office of the Commissioner 200
Chicago Branch—Office of Deputy Commissioner (Administrative Office) 200
Division of Loans and Currency 200
Washington Office of the Division of Loans and Currency:
Issue and retirement of securities 201
Individual registered accounts 201
Claims 203
Safekeeping of securities 203
Mutilated paper and redeemed currency 203
Reports 204
Chicago Branch of the Division of Loans and Currency:
Savings bond stubs and redeemed savings bonds 204
Individual accounts for Series F and G bonds 205
Claims 205
Office of the Register of the Treasury 205
Washington Office of the Register of the Treasury 205
Chicago Branch of the Register of the Treasury 208
Division of Public Debt Accounts and Audit 209
Washington Office of the Division of Public Debt Accounts and Audit 210
Chicago Branch of the Division of Public Debt Accounts and Audit 210
Division of Savings Bonds (Chicago) 211
Division of Paper Custody (Washington) 212
Destruction Committee 213
Treasurer of the United States 213
Budget and Improvement Committee 218
Comptroller of the Currency, Bureau of the 218
Changes in the condition of active national banks 219
Summary of changes in the National Banking System 220
Customs, Bureau of:
Collections 220
Volume of business 222
Entries of merchandise 222
Vessel, airplane, and highway traffic 223
Drawback transactions 224
Protests and appeals 225
Appraisement 226
Laboratories 227
Law enforcement activities:
Seizures 227
Legal proceedings 230
Fines, penalties, etc 230
Customs Agency Service 231

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Customs, Bureau of—Continued. Page
Miscellaneous 231
War activities 232
Training of employees 233
Publications 233
Changes in ports and stations 233
Cost of administration 233
Engraving and Printing, Bureau of 234
Foreign Funds Control 236
Internal Revenue, Bureau of:
General:
Internal revenue collections 237
Refunds, drawbacks, and stamp redemptions 237
Additional assessments 238
Cost of administration 239
Income Tax Unit:
General functions 239
Returns filed 240
Examination of income and excess profits tax returns upon receipt by the Washington Office 240
Investigation of tax returns by the field offices 240
Revenue results of investigations of income and excess profits tax returns 240
Stage at which additional tax was assessed 241
Refunds, abatements, and credits 241
Inventory of returns on hand in the field offices 241
Miscellaneous Tax Unit 241
Estate Tax Division 242
Tobacco Division 242
Sales Tax Division 242
Capital Stock Tax Division 242
Miscellaneous Division 242
Alcohol Tax Unit 243
Procedure Division 244
Field Inspection Division 244
Laboratory Division 244
Audit Division 245
Basic Permit and Trade Practice Division 245
Enforcement Division 246
Accounts and Collections Unit 246
Taxes under the Federal Insurance Contributions Act 247
Tax under the Federal Unemployment Tax Act 249
Carriers taxes 250
Technical Staff 251
Office of the Chief Counsel 252
Chief Counsel's Committee 253
Alcohol Tax Division 253
Appeals Division 253
Civil Division 254
Claims Division 255
Interpretative Division 256
Legislation and Regulations Division 256
Penal Division 257
Review Division 257
Engineers and Auditors Section 257
Intelligence Unit 258
Salary Stabilization Unit 258
Legal Division 259
Taxation 259
Customs 260
Foreign Funds Control program 260
Monetary 260
Public debt 261
Procurement 261
Accounts 261
Legislation 261
Legal opinions 262

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	Page
Legal Division—Continued.	
Claims by and against the United States	262
Narcotics	262
Committee on Practice	262
Mint, Bureau of the:	
Institutions of the Mint Service	262
Coinage	263
Minor coinage alloys:	
Five-cent coin	263
One-cent coin	263
Metal savings	263
Bullion deposit transactions	263
Transfer of bullion	264
Gold operations	264
Silver operations	264
Refineries	265
Stock of coin and monetary bullion in the United States	265
Production of gold and silver	265
Industrial consumption of gold and silver	266
General activities	266
Monetary Research, Division of	266
Narcotics, Bureau of	267
Personnel, Division of	269
Practice, Committee on	269
Procurement Division	270
Typewriter purchases program	270
Blind-made products	271
Printing and binding	271
Lend-lease	271
Relief	271
Strategic and critical materials	272
Defense housing furniture and equipment	272
Wood and steel office furniture	272
Public utilities	272
Deliveries of fuel	273
General supply fund	273
Storage and warehousing	273
Specifications	274
Federal Standard Stock Catalog	274
Inspection service	274
Purchasing methods	274
Renegotiation of contracts	275
Federal business associations	275
Conservation of supplies and materials	275
Research and Statistics, Division of	276
Secret Service Division:	
Crime prevention program	277
Protective activities	277
Enforcement activities	277
Tax Legislative Counsel, Office of the	280
Tax Research, Division of	281
War Finance Division	282
Interdepartmental Committee for the Voluntary Payroll Savings Plan	284

EXHIBITS

PUBLIC DEBT

Issues and redemptions of Treasury bonds, Treasury notes, Treasury certificates of indebtedness, and depositary bonds

Exhibit 1. Offering of 2 percent Treasury bonds of 1949–51	289
Exhibit 2. Subscriptions and allotments, Treasury bonds of 1949–51	290
Exhibit 3. Offering of 2½ percent Treasury bonds of 1962–67 (additional)	291
Exhibit 4. Allotments, Treasury bonds of 1962–67 (additional)	293
Exhibit 5. Offering of ⅞ percent Treasury certificates of indebtedness of Series B–1943	293

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Page

Exhibit 6. Subscriptions and allotments, Treasury certificates of indebtedness of Series B–1943 294
Exhibit 7. Offering of 0.65 percent Treasury certificates of indebtedness of Series C–1943 and 1¼ percent Treasury notes of Series C–1945 295
Exhibit 8. Subscriptions and allotments, Treasury certificates of indebtedness of Series C–1943 and Treasury notes of Series C–1945 297
Exhibit 9. Offering of Treasury tax savings notes of Series A–1945 and Series C 298
Exhibit 10. Offering of 2 percent Treasury bonds of 1950–52 and 1½ percent Treasury notes of Series B–1946 (additional) 307
Exhibit 11. Allotments, Treasury bonds of 1950–52 and Treasury notes of Series B–1946 (additional) 310
Exhibit 12. Offering of ⅞ percent Treasury certificates of indebtedness of Series D–1943 310
Exhibit 13. Subscriptions and allotments, Treasury certificates of indebtedness of Series D–1943 311
Exhibit 14. Offering of 2½ percent Treasury bonds of 1963–68, 1¾ percent Treasury bonds of 1948, and ⅞ percent Treasury certificates of indebtedness of Series E–1943 312
Exhibit 15. Subscriptions and allotments, Treasury bonds of 1963–68, Treasury bonds of 1948, and Treasury certificates of indebtedness of Series E–1943 315
Exhibit 16. Offering of ⅞ percent Treasury certificates of indebtedness of Series A–1944 316
Exhibit 17. Subscriptions and allotments, Treasury certificates of indebtedness of Series A–1944 318
Exhibit 18. Call for redemption on June 15, 1943, of 3⅜ percent Treasury bonds of 1943–47 318
Exhibit 19. Offering of 2½ percent Treasury bonds of 1964–69, 2 percent Treasury bonds of 1950–52, and ⅞ percent Treasury certificates of indebtedness of Series B–1944 319
Exhibit 20. Subscriptions and allotments, Treasury bonds of 1964–69, Treasury bonds of 1950–52, and Treasury certificates of indebtedness of Series B–1944 322
Exhibit 21. Offering of ⅞ percent Treasury certificates of indebtedness of Series C–1944 324
Exhibit 22. Allotments, Treasury certificates of indebtedness of Series C–1944 325
Exhibit 23. Call for redemption on October 15, 1943, of 3¼ percent Treasury bonds of 1943–45 325
Exhibit 24. Termination of sale of Treasury tax savings notes of Series A and provision for optional cash redemption 326
Exhibit 25. Offering of 1½ percent Treasury notes of Series A–1947 327
Exhibit 26. Issue of 2 percent depositary bonds, Second Series 328

United States savings bonds

Exhibit 27. First amendment, November 23, 1942, to Department Circular No. 530, Fifth Revision, prescribing regulations governing United States savings bonds 329
Exhibit 28. First amendment, June 17, 1943, to Department Circular No. 653, Revised, relative to United States war savings bonds of Series E 330
Exhibit 29. First amendment, November 30, 1942, to Department Circular No. 654, Revised, relative to United States savings bonds of Series F and Series G 330
Exhibit 30. Second amendment, June 17, 1943, to Department Circular No. 654, Revised, relative to United States savings bonds of Series F and Series G 331
Exhibit 31. Third amendment, July 17, 1942, to Department Circular No. 657, prescribing regulations governing agencies for the issue of war savings bonds of Series E 331
Exhibit 32. Regulations, December 29, 1942, relative to obligations of the United States as credit against the Victory Tax 332

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Federal Reserve Bank of St. Louis

Treasury bills

Page

Exhibit 33. Inviting tenders for Treasury bills dated July 1, 1942 332
Exhibit 34. Acceptance of tenders for Treasury bills dated July 1, 1942 .. 333
Exhibit 35. Amendments to Department Circular No. 418, as amended, relative to the issue and sale of Treasury bills 334
Exhibit 36. Announcement by the Secretary of the Treasury, May 6, 1943, of the change in procedure with respect to bidding for Treasury bills .. 334
Exhibit 37. Summary of information contained in press releases issued in connection with Treasury bills offered during the fiscal year 1943 335

Miscellaneous

Exhibit 38. An act to increase the debt limit of the United States, and for other purposes 338
Exhibit 39. Amendments, January 21, 1943, to Department Circulars No. 685 and No. 692, changing the date when 2½ percent Treasury bonds of 1962–67 are available in coupon form 339
Exhibit 40. First amendment, June 22, 1943, to Department Circular No. 696, changing the designation of Treasury notes of Tax Series C 339
Exhibit 41. First amendment, July 28, 1942, to Department Circular No. 660, relative to 2 percent depositary bonds 339
Exhibit 42. Joint statement of the Comptroller of the Currency, the Federal Deposit Insurance Corporation, the Board of Governors of the Federal Reserve System, and the Executive Committee of the National Association of Supervisors of State Banks, November 23, 1942, of their examination and supervisory policy with respect to banks 340

SECURITIES GUARANTEED BY THE UNITED STATES

Exhibit 43. Partial redemption, before maturity, of 2¾ percent mutual mortgage insurance fund debentures, Series B (eighth call) 340
Exhibit 44. Partial redemption, before maturity, of 2¾ percent mutual mortgage insurance fund debentures, Series B (ninth call) 342
Exhibit 45. Partial redemption, before maturity, of 2¾ percent housing insurance fund debentures, Series D 345

MONETARY DEVELOPMENTS

Exhibit 46. Announcement, July 6, 1942, of the signing of an agreement between the United States and Cuba relating to the sale of gold to Cuba 347
Exhibit 47. Announcement, July 1, 1943, of the extension of the agreement between the United States and Cuba relating to the sale of gold to Cuba 347
Exhibit 48. Announcement, July 2, 1942, of the extension for one year of the agreement of April 1, 1941, between the United States and China involving the purchase of Chinese yuan 347
Exhibit 49. Announcement, December 31, 1942, of the extension of the stabilization arrangement of July 14, 1937, between the United States and China 348
Exhibit 50. Announcement, July 6, 1942, of the extension of the stabilization agreement between the United States and Brazil 348
Exhibit 51. Joint statement by the Secretary of the Treasury of the United States and a representative of the Secretary of the Treasury of Mexico, June 3, 1943, announcing the extension for two years of the stabilization agreement of 1941 348
Exhibit 52. Joint statement by the Secretary of the Treasury of the United States and the Ambassador of Ecuador, July 1, 1943, announcing the extension for one year of the stabilization agreement of 1942 349
Exhibit 53. Joint statement by the Secretary of the Treasury of the United States and the Minister of Iceland, July 1, 1943, announcing the extension for one year of the stabilization agreement of 1942 349
Exhibit 54. Treasury proposal for an international stabilization fund of the United and Associated Nations 349
Exhibit 55. An act to extend the time within which the powers relating to the stabilization fund may be exercised 360

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Federal Reserve Bank of St. Louis

Exhibit 56. Statement of the Secretary of the Treasury before the Senate Committee on Banking and Currency, April 16, 1943, relating to the extension of the stabilization fund and power to alter the gold content of the dollar ..... Page 360
Exhibit 57. Statement of the Secretary of the Treasury, August 31, 1942, relating to the availability of silver for war uses 363
Exhibit 58. Announcement, September 17, 1942, of arrangements for the sale by the Treasury of silver to industrial users for war production 364
Exhibit 59. An act to authorize the use for war purposes of silver held or owned by the United States 364
Exhibit 60. Announcement by the Secretary of the Treasury, September 12, 1942, relating to the new five-cent pieces 364
Exhibit 61. An act to further the war effort by authorizing the substitution of other materials for strategic metals used in minor coinage, to authorize the forming of worn and uncurrent standard silver dollars into bars, and for other purposes 365
Exhibit 62. Press release, December 13, 1942, of the Board of Governors of the Federal Reserve System relating to the utilization of the existing stock of Federal Reserve Bank notes 367
Exhibit 63. An act to extend the period during which direct obligations of the United States may be used as collateral security for Federal Reserve notes 367

GOVERNMENT DEPOSITARIES

Exhibit 64. An act suspending certain provisions of sections 12B and 19 of the Federal Reserve Act until six months after the cessation of hostilities in the present war as determined by proclamation of the President or concurrent resolution of the Congress 367
Exhibit 65. Regulations governing special deposits of public moneys under the act approved September 24, 1917, as amended (Second Liberty Bond Act, as amended) 368
Exhibit 66. Regulations governing the payment through depositary banks of funds withheld as taxes in accordance with the provisions of the Current Tax Payment Act of 1943 371
Exhibit 67. First amendment, July 22, 1943, to Department Circular No. 714, prescribing regulations governing the payment through depositary banks of funds withheld as taxes in accordance with the provisions of the Current Tax Payment Act of 1943 378

SALARY STABILIZATION AND LIMITATION

Exhibit 68. Portions of the act to amend the Emergency Price Control Act of 1942, to aid in preventing inflation, and for other purposes (Public Law 729, October 2, 1942) 378
Exhibit 69. Portions of Executive Order No. 9250, October 3, 1942, providing for the stabilizing of the national economy 379
Exhibit 70. Portions of Executive Order No. 9328, April 8, 1943, the so-called Hold-the-Line order, further limiting the authority to approve salary adjustments 382
Exhibit 71. Statement of the Commissioner of Internal Revenue, July 1, 1943, as to the methods under which payments of additional compensation to salaried personnel may be determined 383

ORGANIZATION AND PROCEDURE

Exhibit 72. Orders relating to organization and procedure in the Treasury Department 384
Exhibit 73. Executive Order No. 9302, February 9, 1943, transferring to the Commissioner of Internal Revenue certain functions relating to taxes and penalties imposed for violations of the National Prohibition Act 385

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ADDRESSES AND STATEMENTS ON WAR FINANCING, INFLATION, PUBLIC DEBT, ETC.

Page
Exhibit 74. Message from Secretary Morgenthau to the American Bankers Association, September 1, 1942, on war financing 386
Exhibit 75. Statement of Secretary Morgenthau contained in the press release of September 5, 1942, relating to taxes and war financing 388
Exhibit 76. Address by Under Secretary Bell before the Investment Bankers Association, October 19, 1942, on war financing 390
Exhibit 77. Statement of Secretary Morgenthau, December 6, 1942, relating to the First War Loan 393
Exhibit 78. Statement of Secretary Morgenthau, March 22, 1943, prepared at the request of the United Press for a discussion under the caption "The Treasury prepares for post-war problems" 394

TAXATION DEVELOPMENTS

Exhibit 79. Statement of Randolph E. Paul, Tax Adviser to the Secretary of the Treasury, before the House Ways and Means Committee, March 3, 1942, discussing in detail the methods for raising additional revenue 396
Exhibit 80. Statement of Secretary Morgenthau before the Senate Finance Committee, July 23, 1942, in support of Treasury's program for additional revenue 406
Exhibit 81. Statement of Secretary Morgenthau before the Senate Finance Committee, September 3, 1942, proposing a spendings tax and a further lowering of personal exemptions under the individual income tax 410
Exhibit 82. Statement of Randolph E. Paul, General Counsel for the Treasury Department, before the Senate Finance Committee, September 3, 1942, in support of the spendings tax and other Treasury proposals 411
Exhibit 83. Statement of Randolph E. Paul, General Counsel for the Treasury Department, before the House Ways and Means Committee, February 2, 1943, on revision of income tax payment methods 420
Exhibit 84. Statement of Randolph E. Paul, General Counsel for the Treasury Department, before the Senate Finance Committee, May 6, 1943, on current payment of the individual income tax and tax cancelation for 1942 431
Exhibit 85. Letter to the President from the Secretary of the Treasury, Secretary of Labor, Director of the Budget, Administrator of the Federal Security Agency, and Chairman of the Social Security Board, October 1, 1942, relative to the freezing of the social security contributions rate 445

MISCELLANEOUS

Exhibit 86. Section 10 of the act to provide for a method of voting, in time of war, by members of the land and naval forces absent from the place of their residence (Public Law 712, September 16, 1942) 446
Exhibit 87. Letter from the President to the Secretary of the Treasury, October 15, 1942, relative to staggered pay days for Government employees 447
Exhibit 88. An act to provide for the orderly transaction of the public business in the event of the death or of the resignation or separation from office of the Chief Disbursing Officer 447
Exhibit 89. Executive Order No. 9235, August 31, 1942, providing for the effective utilization of supplies and equipment by Government agencies 448
Exhibit 90. An act to provide for the settlement of certain claims of the Government of the United States on behalf of American nationals against the Government of Mexico 449
Exhibit 91. Regulations governing payments on account of awards and appraisals in favor of nationals of the United States on claims against the Government of Mexico pursuant to the act of April 10, 1935, the joint resolution of August 25, 1937, and the settlement of Mexican Claims Act of 1942 453
Exhibit 92. Letter of the Postmaster General to the Secretary of the Treasury, dated November 30, 1943, certifying extraordinary expenditures contributing to the deficiencies of postal revenues for the fiscal year 1943, in pursuance of Public No. 316, approved June 9, 1930 456

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TABLES

Page

Explanation of bases used in tables ... 459
Description of accounts through which Treasury operations are effected ... 460

RECEIPTS AND EXPENDITURES

Summary tables on receipts and expenditures

Table 1. Summary of receipts and expenditures, fiscal years 1932 through 1943 and monthly July 1942 through June 1943 (daily Treasury statement basis) ... 462
Table 2. Receipts and expenditures for the fiscal years 1789 through 1943 (warrants and daily Treasury statement bases) ... 466

Detailed tables on receipts and expenditures

Table 3. Classification of monthly and total receipts, fiscal year 1943, and comparative totals, fiscal year 1942 (daily Treasury statement basis) ... 472
Table 4. Classification of monthly expenditures, fiscal year 1943 (daily Treasury statement basis) ... 478
Table 5. Expenditures from general and special accounts, by major functions, fiscal years 1932 through 1943 (daily Treasury statement basis) ... 500

Other receipts and expenditures tables

Table 6. Comparison of detailed internal revenue collections, fiscal years 1942 and 1943 (collections basis) ... 501
Table 7. Internal revenue collections, by tax sources, fiscal years 1916 through 1943 (collections basis) ... 503
Table 8. Internal revenue collections, by States and Territories, fiscal year 1943 (collections basis) ... 508
Table 9. Summary of customs collections and expenditures, fiscal year 1943 (Customs accounts basis) ... 510
Table 10. Expenditures by organizations and by fiscal years from April 8, 1935, through June 30, 1943, under the Emergency Relief Appropriation Acts for the fiscal years 1935 through 1943 (checks issued basis) ... 511
Table 11. Receipts and expenditures of the social security program under the Social Security, Railroad Retirement, and Railroad Unemployment Insurance Acts, fiscal years 1936 through 1941 combined, fiscal year 1942, and monthly for the fiscal year 1943 (daily Treasury statement basis) ... 514
Table 12. Amounts appropriated and expended under authorizations contained in the Social Security Act, as amended ... 522
Table 13. Panama Canal receipts and expenditures, fiscal years 1903 through 1943 (warrants basis) ... 523
Table 14. Postal receipts and expenditures, fiscal years 1789 through 1943 ... 525
Table 15. Selected receipts and expenditures of the Government, fiscal years 1789 through 1943 (warrants and checks issued bases) ... 528
Table 16. Expenses for administrative activities of the Treasury Department, classified to the extent practicable by States and Territories, fiscal year 1943 ... 530
Table 17. Expenses of the Internal Revenue Service, fiscal year 1943 (checks issued basis) ... 534

WAR ACTIVITIES PROGRAM

Table 18. Appropriations and net contract authorizations for the war activities program, as of June 30, 1943 ... 538
Table 19. Appropriations, contract authorizations, and expenditures under the war activities program, July 1, 1940, through June 30, 1943 ... 542
Table 20. Expenditures for war activities, by departments and agencies and by fiscal years 1933 through 1943 and months from July 1940 through June 1943 (daily Treasury statement basis) ... 544
Table 21. Commitments, receipts, and disbursements of the Reconstruction Finance Corporation and its subsidiaries under the war activities program, July 1, 1940, through June 30, 1943 (basis of reports to Treasury) ... 546

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PUBLIC DEBT

Public debt outstanding

Page
Table 22. Description of the public debt outstanding June 30, 1943 (daily Treasury statement and public debt accounts bases) ... 547
Table 23. Principal of the public debt outstanding at the end of each fiscal year from 1853 through 1943 (public debt accounts and daily Treasury statement bases) ... 562
Table 24. Comparative statement of the public debt outstanding June 30, 1931 through 1943 (daily Treasury statement basis) ... 564
Table 25. Composition of the public debt at the end of the fiscal years 1916 through 1943 and by months from July 1942 through June 1943 (public debt accounts and daily Treasury statement bases) ... 566

Public debt operations

Table 26. Public debt receipts and expenditures, monthly July 1942 through June 1943, with totals for the fiscal years 1942 and 1943 (daily Treasury statement basis) ... 568
Table 27. Changes in public debt, by issues, fiscal year 1943 (daily Treasury statement and public debt accounts bases) ... 576
Table 28. Issues, maturities, and redemptions of interest-bearing securities, exclusive of trust account and other special issues, July 1942 through June 1943 ... 590
Table 29. Sources of public debt increase or decrease, fiscal years 1915 through 1943 (daily Treasury statement basis) ... 597
Table 30. Transactions on account of the cumulative sinking fund, fiscal year 1943 (public debt accounts basis) ... 599
Table 31. Transactions on account of the cumulative sinking fund, fiscal years 1921 through 1943 (public debt accounts basis) ... 599
Table 32. Securities retired through the cumulative sinking fund, par amount and principal cost, to June 30, 1943 (public debt accounts basis) ... 600
Table 33. Comparison of sales of securities during the First and Second War Loans, by classes of investors and by issues (basis of reports of sales) ... 601

United States savings bonds

Table 34. Analysis of sales and redemptions of United States savings bonds, by series and by fiscal years 1935 through 1943 and months for the fiscal year 1943 (daily Treasury statement basis) ... 603
Table 35. Summary of sales and redemptions of United States savings bonds, by series and by fiscal years and months, May 1935 through June 1943 (basis of daily Treasury statements and reports of sales) ... 604
Table 36. Sales of United States savings bonds of Series E, Series F, and Series G, by denominations and by fiscal years and months, May 1941 through June 1943 (basis of reports of sales) ... 611
Table 37. Sales of United States savings bonds of Series E and Series F and G, by States and by calendar years, fiscal years, and months, May 1941 through June 1943 (basis of reports of sales) ... 614
Table 38. Sales of United States savings bonds of Series E in selected large cities, by calendar years, fiscal years, and months, July 1941 through June 1943 (basis of reports of sales) ... 622
Table 39. Extent of participation in payroll savings plan for purchase of United States savings bonds each month from December 1941 through June 1943 (basis of reports from companies and governmental units) ... 630

United States war savings stamps

Table 40. Summary of sales and redemptions of United States war savings stamps, by fiscal years and months, May 1941 through June 1943 (basis of daily Treasury statements and reports of Post Office Department) ... 631
Table 41. Sales of United States war savings stamps, by denominations and by fiscal years and months, May 1941 through June 1943 (basis of reports of Post Office Department) ... 632

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Table 42. Redemptions of United States war savings stamps, by means of payment and by fiscal years and months, May 1941 through June 1943 (basis of daily Treasury statements and reports of Post Office Department) Page 633
Table 43. Sales of United States war savings stamps, by States and by calendar years, fiscal years, and months, May 1941 through June 1943 (basis of reports of Post Office Department) 634

Treasury notes—tax series and savings series

Table 44. Analysis of sales and redemptions of Treasury notes, tax series and savings series, by series and by fiscal years and months, August 1941 through June 1943 (daily Treasury statement basis) 638
Table 45. Summary of sales and redemptions of Treasury notes, tax series and savings series, by series and by fiscal years and months, August 1941 through June 1943 (basis of daily Treasury statements and reports of sales) 640
Table 46. Sales of Treasury notes, tax series and savings series, by series, by denominations, and by fiscal years and months, August 1941 through June 1943 (basis of reports of sales) 643
Table 47. Sales of Treasury notes, tax series and savings series, by series, by types of purchasers, and by fiscal years and months, August 1941 through 1943 (basis of reports of sales) 645
Table 48. Redemptions of Treasury notes, tax series and savings series, by series, by means of payment, and by fiscal years and months, August 1941 through June 1943 (daily Treasury statement basis) 648

Interest on the public debt

Table 49. Interest on the public debt, payable, paid, and outstanding unpaid, fiscal year 1943 (public debt accounts basis) 651
Table 50. Interest paid on the public debt, by issues, fiscal years 1941 through 1943 (public debt accounts basis) 651
Table 51. Amount of interest-bearing debt outstanding, the computed annual interest charge, and the computed rate of interest, at the end of the fiscal years 1916 through 1943, and at the end of each month from July 1942 to June 1943 (public debt accounts and daily Treasury statement bases) 653
Table 52. Interest paid on the securities issued or guaranteed by the United States Government, classified by tax status, fiscal years 1913 through 1943 (public debt accounts basis) 654

Miscellaneous

Table 53. Contingent liabilities of the United States, June 30, 1943 (daily Treasury statement basis) 656
Table 54. Contingent liabilities of the United States as of June 30, 1934, through 1943 (daily Treasury statement basis) 660
Table 55. Average yield on long-term Treasury bonds, by months, January 1919 through June 1943 662
Table 56. Prices and yields of public marketable securities issued or guaranteed by the United States, June 30, 1942, and June 30, 1943, and price ranges since dates of issue 663

CONDITION OF THE TREASURY EXCLUSIVE OF PUBLIC DEBT LIABILITIES

Table 57. Current assets and liabilities of the Treasury at the close of the fiscal years 1942 and 1943 (daily Treasury statement basis) 666
Table 58. Balance in the General Fund of the Treasury at the end of each month, fiscal year 1943 (daily Treasury statement basis) 667
Table 59. Assets and liabilities of the exchange stabilization fund as of June 30, 1942 and 1943 668
Table 60. Securities other than obligations of foreign governments owned by the United States Government, June 30, 1943 670

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Federal Reserve Bank of St. Louis

Table 61. Principal of the funded and unfunded indebtedness of foreign governments to the United States, the accrued and unpaid interest thereon, and payments on account of principal and interest, as of November 15, 1943 — Page 672
Table 62. Principal of the funded and unfunded indebtedness of foreign governments to the United States, the accrued and unpaid interest thereon, and payments on account of principal and interest, as of November 15 of each year from 1928 through 1943 — 673

TRUST AND SPECIAL FUNDS FOR WHICH INVESTMENTS ARE MADE BY THE TREASURY DEPARTMENT

Table 63. Adjusted service certificate fund, June 30, 1943 (daily Treasury statement basis) — 674
Table 64. Ainsworth Library fund, Walter Reed General Hospital, June 30, 1943 — 674
Table 65. Alaska Railroad retirement and disability fund, June 30, 1943 (daily Treasury statement basis) — 675
Table 66. Canal Zone retirement and disability fund, June 30, 1943 (daily Treasury statement basis) — 676
Table 67. Civil service retirement and disability fund, June 30, 1943 (daily Treasury statement basis) — 677
Table 68. District of Columbia teachers' retirement fund—Assets held by the Treasury Department, June 30, 1943 — 678
Table 69. District of Columbia water fund—Investments held by the Treasury Department, June 30, 1943 — 679
Table 70. District of Columbia workmen's compensation fund—Assets held by the Treasury Department, June 30, 1943 — 679
Table 71. Federal old-age and survivors insurance trust fund, June 30, 1943 (daily Treasury statement basis) — 680
Table 72. Railroad retirement account, June 30, 1943 (daily Treasury statement basis) — 681
Table 73. Unemployment trust fund, June 30, 1943 (daily Treasury statement basis) — 682
Table 74. Foreign service retirement and disability fund, June 30, 1943 (daily Treasury statement basis) — 685
Table 75. Library of Congress trust fund, June 30, 1943 — 686
Table 76. Longshoremen's and harbor workers' compensation fund—Assets held by the Treasury Department, June 30, 1943 — 688
Table 77. National Archives gift fund, June 30, 1943 — 689
Table 78. National Cancer Institute gift fund, June 30, 1943 — 689
Table 79. National Institute of Health gift fund, June 30, 1943 — 690
Table 80. National park trust fund, June 30, 1943 — 691
Table 81. National service life insurance fund, June 30, 1943 (daily Treasury statement basis) — 692
Table 82. Pershing Hall Memorial fund, June 30, 1943 — 692
Table 83. United States Government life insurance fund—Investments, June 30, 1943 — 693

GOVERNMENT CORPORATIONS AND CREDIT AGENCIES

Table 84. Combined statement of assets and liabilities of Government corporations and credit agencies, June 30, 1943 (basis of reports from corporations, etc.) — 694
Table 85. Proprietary interest of the United States in Government corporations and credit agencies, at the end of each of the fiscal years 1932 through 1943 (basis of reports from corporations, etc.) — 704
Table 86. Sources of funds of certain Government corporations and credit agencies, fiscal year 1943 and cumulative to June 30, 1943 (basis of reports from corporations, etc.) — 706
Table 87. Uses of funds of certain Government corporations and credit agencies, fiscal year 1943 and cumulative to June 30, 1943 (basis of reports from corporations, etc.) — 708

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STOCK AND CIRCULATION OF MONEY IN THE UNITED STATES

Table 88. Stock of money, money in the Treasury, in the Federal Reserve Banks, and in circulation June 30, 1913 through 1943 ... Page 710
Table 89. Stock of money, by kinds, at the end of each fiscal year from 1913 through 1943 ... 712
Table 90. Money in circulation, by kinds, at the end of each fiscal year from 1913 through 1943 ... 713
Table 91. Stock of money, money in the Treasury, in the Federal Reserve Banks, and in circulation, by kinds, June 30, 1943 ... 714

MISCELLANEOUS

Table 92. Net expenditures for Federal aid to States, individuals, etc. (exclusive of emergency appropriations from which grants are made to States, fiscal years 1920, 1930, 1940, and 1943 ... 715
Table 93. Expenditures made by the Government as direct payments to States, etc., under cooperative arrangements and expenditures within States which provided relief and other aid, fiscal year 1943 ... 719
Table 94. Number and amount of awards of the Mixed Claims Commission, United States and Germany, certified to the Secretary of the Treasury by the Secretary of State and the amount paid and balance due, by classes, as of September 30, 1943 ... 728
Table 95. Transactions in commodity stamps, fiscal years 1939 through 1943 and monthly from July 1942 through June 1943 ... 730

OWNERSHIP OF GOVERNMENTAL SECURITIES

Table 96. Summary data from Treasury survey of the ownership of securities issued or guaranteed by the United States, analyzing the ownership of such securities by classes of holders of each issue outstanding on quarterly dates from March 31, 1941, through June 30, 1943 ... 731
Table 97. Estimated ownership of all interest-bearing governmental securities outstanding, classified by issuer, June 30, 1937 through 1943 ... 750
Table 98. Estimated amount of interest-bearing securities issued by all governmental units in the United States outstanding on June 30, 1943, classified by tax status and by type of issuer ... 752
Table 99. Estimated amount of interest-bearing securities issued by all governmental units in the United States outstanding on June 30, 1913 through 1943, classified by tax status and by type of issuer ... 754

BUDGET ESTIMATES

Table 100. Receipts and expenditures of general and special accounts, actual for the fiscal year 1943 and estimated for the fiscal years 1944 and 1945, in detail ... 764
Table 101. Receipts and expenditures of trust accounts, etc., actual for the fiscal year 1943 and estimated for the fiscal years 1944 and 1945, as exhibited in the Budget for 1945 ... 786
Table 102. Summary of cash operations of the United States Treasury for the fiscal year 1943 and estimated for the fiscal years 1944 and 1945, as exhibited in the Budget for 1945 ... 801
Index ... 803

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SECRETARIES, UNDER SECRETARIES, AND ASSISTANT SECRETARIES OF THE TREASURY DEPARTMENT FROM MARCH 4, 1933, TO NOVEMBER 15, 1943 [1] AND THE PRESIDENT UNDER WHOM THEY SERVED

Term of service		Official	Secretary of the Treasury	President
From—	To—			
		Secretaries of the Treasury		
Mar. 4, 1933	Dec. 31, 1933	William H. Woodin, New York		Roosevelt.
Jan. 1, 1934		Henry Morgenthau, Jr., New York		Roosevelt.
		Under Secretaries		
May 19, 1933	Nov. 16, 1933	Dean G. Acheson, Maryland	Woodin	Roosevelt.
Nov. 17, 1933	Dec. 31, 1933	Henry Morgenthau, Jr., New York	Woodin	Roosevelt.
May 2, 1934	Feb. 15, 1936	Thomas Jefferson Coolidge, Massachusetts.	Morgenthau	Roosevelt.
Jan. 29, 1937	Sept. 15, 1938	Roswell Magill, New York	Morgenthau	Roosevelt.
Nov. 1, 1938	Dec. 31, 1939	John W. Hanes, North Carolina	Morgenthau	Roosevelt.
Jan. 18, 1940		Daniel W. Bell, Illinois	Morgenthau	Roosevelt.
		Assistant Secretaries		
Apr. 18, 1933	Feb. 15, 1936	Lawrence W. Robert, Jr., Georgia	Woodin, Morgenthau	Roosevelt.
June 6, 1933	Sept. 30, 1939	Stephen B. Gibbons, New York	Woodin, Morgenthau	Roosevelt.
June 12, 1933	Dec. 12, 1933	Thomas Hewes, Connecticut	Woodin	Roosevelt.
Dec. 1, 1934	Nov. 1, 1937	Josephine Roche, Colorado	Morgenthau	Roosevelt.
Feb. 19, 1936	Feb. 28, 1939	Wayne C. Taylor, Illinois	Morgenthau	Roosevelt.
July 1, 1938	Oct. 31, 1938	John W. Hanes, North Carolina	Morgenthau	Roosevelt.
June 23, 1939		Herbert E. Gaston, New York	Morgenthau	Roosevelt.
Jan. 18, 1940		John L. Sullivan, New Hampshire	Morgenthau	Roosevelt.

[1] For officials since 1789 see annual report for 1932, pp. xvii to xxi, and corresponding table in annual report for 1933.

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PRINCIPAL ADMINISTRATIVE AND STAFF OFFICERS OF THE TREASURY DEPARTMENT AS OF NOVEMBER 15, 1943

OFFICE OF THE SECRETARY

Henry Morgenthau, Jr.	Secretary of the Treasury.
Daniel W. Bell	Under Secretary of the Treasury.
Herbert E. Gaston	Assistant Secretary of the Treasury.
John L. Sullivan	Assistant Secretary of the Treasury.
(Vacant)	Fiscal Assistant Secretary of the Treasury.
Harry D. White	Assistant to the Secretary.
Theodore R. Gamble	Assistant to the Secretary.
M. Frederik Smith	Assistant to the Secretary.
John W. Pehle	Assistant to the Secretary.
Henrietta S. Klotz	Special Assistant to the Secretary.
W. N. Thompson	Administrative Assistant to the Secretary.
Charles S. Bell	Technical Assistant to the Secretary.
Charles R. Schoeneman	Technical Assistant to the Secretary.
Theodore F. Wilson	Director of Personnel.
Elmer L. Irey	Chief Coordinator, Treasury Enforcement Agencies.
Charles Schwarz	Director of Public Relations.
William T. Heffelfinger	Assistant to the Under Secretary.
Edward D. Batchelder	Executive Assistant to the Fiscal Assistant Secretary.
Frank F. Dietrich	Executive Assistant to the Fiscal Assistant Secretary.
Francis C. Rose	Executive Assistant to Assistant Secretary.
F. A. Birgfeld	Chief Clerk.
Denzil A. Right	Superintendent of Treasury Buildings.
Gabrielle E. Forbush	Chief, Secretary's Correspondence Division.

OFFICE OF THE GENERAL COUNSEL

Randolph E. Paul	General Counsel.
N. O. Tietjens	Assistant General Counsel.
Joseph J. O'Connell, Jr.	Assistant General Counsel.
Thomas J. Lynch	Assistant General Counsel.
Eugene F. Roth	Assistant General Counsel.
Ansel F. Luxford	Assistant General Counsel.
Lehman C. Aarons	Assistant to the General Counsel.
Samuel Klaus	Special Assistant to the General Counsel.
David J. Speck	Special Assistant to the General Counsel.
Lawrence S. Lesser	Special Assistant to the General Counsel.
John P. Wenchel	Chief Counsel, Bureau of Internal Revenue.
Robert Chambers	Chief Counsel, Bureau of Customs.
Theodore W. Cunningham	Chief Counsel, Bureau of the Public Debt.
Josiah E. DuBois	Chief Counsel, Foreign Funds Control.
Alfred L. Tennyson	Chief Counsel, Bureau of Narcotics.

DIVISION OF RESEARCH AND STATISTICS

George C. Haas	Director of Research and Statistics.
Henry C. Murphy	Assistant Director.
Al F. O'Donnell	Assistant Director.
Russell R. Reagh	Assistant Director (Government Actuary).
Anna M. Michener	Assistant to the Director.
Eldon B. Smith	Administrative Assistant to the Director.
Isabella S. Diamond	Librarian.

DIVISION OF MONETARY RESEARCH

Harry D. White	Director of Monetary Research.
Harold Glasser	Assistant Director.
Edward M. Bernstein	Assistant Director.
Norman T. Ness	Assistant Director.
William H. Taylor	Assistant Director.

DIVISION OF TAX RESEARCH

Roy Blough	Director of Tax Research.
Louis Shere	Assistant Director.

OFFICE OF THE TAX LEGISLATIVE COUNSEL

Stanley S. Surrey	Tax Legislative Counsel.
Frederick C. Lusk	Assistant Tax Legislative Counsel.
Robert W. Wales	Assistant Tax Legislative Counsel.

FOREIGN FUNDS CONTROL

John W. Pehle	Director of Foreign Funds Control.
Orvis A. Schmidt	Assistant Director (Enforcement).
A. U. Fox	Assistant Director (Licensing).
Ward Stewart	Assistant Director (Administrative Services).
Michael L. Hoffman	Assistant Director (Field Operations).

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WAR FINANCE DIVISION

Theodore R. Gamble	National Director.
John B. McNamara	Assistant to the National Director.
Edward B. Hall	Assistant to the National Director.
Robert W. Coyne	Assistant to the National Director.
Charles W. Adams	Administrative Officer.
Vincent F. Callahan	Director, Press, Radio, and Advertising Division.
James L. Houghteling	Director, National Organizations Division.
Harriett W. Elliott	Women's and Education Divisions.

BUREAU OF THE PUBLIC DEBT

William S. Broughton	Commissioner of the Public Debt.
Edwin L. Kilby	Assistant Commissioner of the Public Debt.
Ross A. Heffelfinger	Deputy Commissioner of the Public Debt.
H. F. Ziegenfus	Assistant to the Commissioner.
Eugene W. Sloan	Deputy Commissioner in Charge, Chicago Office.
Edward G. Dolan	Register of the Treasury.
Byrd Leavell	Assistant Register of the Treasury.
Marvin Wesley	Chief, Division of Loans and Currency.
Melvin R. Loafman	Chief, Division of Public Debt Accounts and Audit.
Maurice A. Emerson	Chief, Division of Paper Custody.
Lemuel W. Owen	Chief, Division of Savings Bonds.

BUREAU OF ENGRAVING AND PRINTING

Alvin W. Hall	Director, Bureau of Engraving and Printing.
Clark R. Long	Assistant Director (Administration).
Thomas F. Slattery	Assistant Director (Production).

BUREAU OF ACCOUNTS

Edward F. Bartelt	Commissioner of Accounts.
Robert W. Maxwell	Assistant Commissioner of Accounts.
Joseph Greenberg	Assistant Commissioner of Accounts.
Gilbert L. Cake	Chief Accountant.
Stephen P. Gerardi	Executive Assistant to the Commissioner.
Guy F. Allen	Chief Disbursing Officer, Division of Disbursemen
L. L. Collie	Chief, Division of Bookkeeping and Warrants.
B. M. Mulvihill	Chief, Division of Deposits.
Harry R. Schwalm	Chief Examiner, Section of Surety Bonds.
Eugene P. O'Daniel	Chief, Section of Investments.

BUREAU OF THE COMPTROLLER OF THE CURRENCY

Preston Delano	Comptroller of the Currency.
Cyril B. Upham	Deputy Comptroller.
R. B. McCandless	Deputy Comptroller.
L. H. Sedlacek	Deputy Comptroller.
W. P. Folger	Chief National Bank Examiner.

OFFICE OF THE TREASURER OF THE UNITED STATES

William A. Julian	Treasurer of the United States.
Marion Banister	Assistant Treasurer.
George O. Barnes	Assistant to the Treasurer.
M. E. Slindee	Administrative Assistant to the Treasurer.
Grover C. Emerson	Staff Assistant to the Treasurer.
Bernard A. Hayden	Chief, Administrative Division.

BUREAU OF NARCOTICS

Harry J. Anslinger	Commissioner of Narcotics.
Will S. Wood	Deputy Commissioner of Narcotics.
Malachi L. Harney	Assistant to the Commissioner.

BUREAU OF INTERNAL REVENUE

Robert E. Hannegan	Commissioner of Internal Revenue.
Harold N. Graves	Assistant Commissioner.
Eldon P. King	Special Deputy Commissioner.
Timothy C. Mooney	Deputy Commissioner.
George J. Schoeneman	Deputy Commissioner.
D. Spencer Bliss	Deputy Commissioner.
Stewart Berkshire	Deputy Commissioner.
Archie D. Burford	Deputy Commissioner.
A. R. Marrs	Head, Technical Staff.
W. H. Woolf	Chief, Intelligence Unit.

BUREAU OF CUSTOMS

W. R. Johnson	Commissioner of Customs.
Frank Dow	Assistant Commissioner of Customs.
E. J. Shamhart	Deputy Commissioner.
A. S. Johnson	Deputy Commissioner.
Glenn H. Griffith	Acting Deputy Commissioner.

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BUREAU OF THE MINT

Nellie Tayloe Ross	Director of the Mint.
Leland Howard	Assistant Director.

PROCUREMENT DIVISION

Clifton E. Mack	Director of Procurement.
A. J. Walsh	Deputy Director.
Thomas F. Murphy	Deputy Director.
Robert LeFevre	Assistant to the Director.
George Landick, Jr	Assistant to the Director.

UNITED STATES SECRET SERVICE

Frank J. Wilson	Chief, United States Secret Service.
James J. Maloney	Assistant Chief.
Laurence E. Albert	Staff Assistant.
Walter S. Bowen	Chief Clerk.
Michael F. Reilly	Supervising Agent (White House Detail).

STANDING DEPARTMENTAL COMMITTEES

BUDGET AND IMPROVEMENT COMMITTEE

C. R. Schoeneman, Chairman.
F. A. Birgfeld, Vice Chairman.
M. E. Slindee.
Charles S. Bell.
T. F. Wilson.
George H. Jones, Secretary.

COMMITTEE ON PRACTICE

Guy C. Hanna, Chairman.
Hessel E. Yntema.
Frederick H. Hurdman.
George E. Cleary.
E. B. Van Veen, Attorney for the Government.

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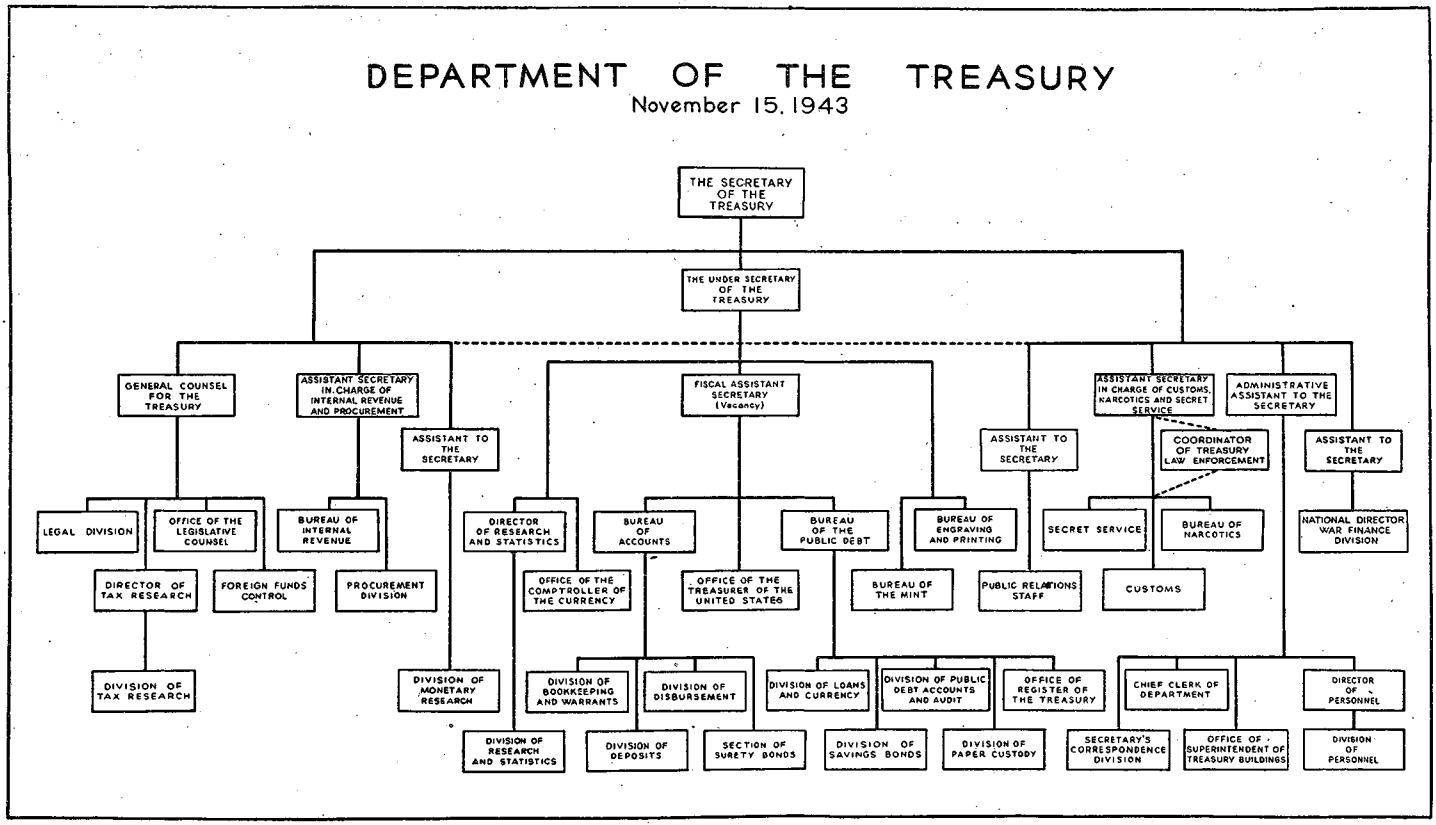


CHART 1.

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ANNUAL REPORT ON THE FINANCES

TREASURY DEPARTMENT,
Washington, D. C., January 10, 1944.

SIR:

I have the honor to make the following report on the finances of the Federal Government for the fiscal year ended June 30, 1943.

This was the first complete fiscal year of our participation in the war. It was a year of rapid transition of the economy from a peacetime to a wartime basis. The major phases of this transition were completed by the end of the fiscal year, so that the accounts of the Federal Government for the fiscal year 1944 will be the first to reflect the full impact of the war on our economy.

This seems a fitting time, therefore, to review the finances of the Federal Government thus far in the war, to assess their significance in the whole scheme of the war economy, and to consider what shape they should take for the remainder of the wartime period.

The table on page 2 summarizing the Federal finances shows the receipts and expenditures of the Federal Government for the fiscal years 1940 through 1943, and the estimated receipts and expenditures for the fiscal years 1944 and 1945. The figures on expenditures shown in the table include both budgetary expenditures and net outlays made by the Treasury for the operation of Government corporations.

The fiscal year 1940, the first fiscal year included in the table, was the last before the commencement of the defense program. The estimates for the fiscal years 1944 and 1945 included in the table are from the Budget of the United States Government for the fiscal year 1945. The Budget estimates of both receipts and expenditures assume—as a basis for conservative fiscal planning—the continuation of the war through the fiscal year 1945; and the estimates of receipts are based on present tax law.

War expenditures, the figures in the table show, will have increased over 50 times, from $1.7 billions in the fiscal year 1940 to an estimated $92.0 billions in the fiscal year 1944; while during the same period total Federal expenditures will have increased a little over 10 times, from $9.3 billions to $99.3 billions.

The increase in Federal receipts during this period, while lagging behind the increase in expenditures, is itself phenomenal. Federal receipts will have increased more than sevenfold, from $5.4 billions to $41.2 billions, between the fiscal years 1940 and 1944.

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Summary of Federal finances, fiscal years 1940 through 1945[1]

[In billions of dollars]

Item	1940	1941	1942	1943	1944	1945
	Actual				Estimated	
A. Expenditures:						
1. War:						
a. Budgetary	1.7	6.3	26.0	72.1	88.5	88.2
b. Government corporations [2]	------	.4	2.3	3.0	3.5	1.8
c. Total	1.7	6.7	28.3	75.1	92.0	90.0
2. Other:						
a. Interest on the public debt	1.0	1.1	1.3	1.8	2.7	3.8
b. Refunds of taxes and customs, including excess profits tax refund bonds	.1	.1	.1	.1	.4	1.8
c. Veterans' pensions and benefits	.6	.6	.6	.6	.9	1.3
d. Other budgetary expenditures	5.7	4.6	4.5	3.6	3.5	3.0
e. Government corporations [3]	.3	.7	−.4	−1.5	−.2	(*)
f. Total	7.6	7.1	5.9	4.6	7.3	9.8
3. Total expenditures	9.3	13.8	34.2	79.7	99.3	99.8
B. Receipts [4]	5.4	7.6	12.8	22.3	41.2	40.8
C. Excess of expenditures	3.9	6.2	21.4	57.4	58.1	59.0

NOTE.—Figures are rounded to the nearest tenth of a billion and will not necessarily add to totals.

* Less than $50 millions.

[1] Figures are on the basis of classifications appearing in 1945 Budget Message. They include net expenditures of Government corporations and the totals are not, therefore, the same as the figures in other tables in this report. They exclude statutory debt retirements and trust funds.

[2] Includes only Treasury outlays for the war activities of the Reconstruction Finance Corporation and its subsidiaries. Figures are excess of expenditures over receipts.

[3] Comprises principally Treasury outlays for Commodity Credit Corporation, Home Owners' Loan Corporation, and nonwar activities of Reconstruction Finance Corporation and its subsidiaries. Figures are excess of expenditures over receipts. Negative figures indicate excess of receipts.

[4] Net budgetary receipts, i. e., total receipts less net appropriation to Federal old-age and survivors insurance trust fund

A rough measure of the increasing impact of Federal operations on the national economy may be made by relating expenditures and receipts to the total production of goods and services, known as gross national product. This is done in the following table.

Proportion of gross national product represented by expenditures, receipts, and excess of expenditures of the Federal Government, fiscal years 1940 through 1945

Fiscal year	Gross national product (in billions)	Proportion represented by—		
		Federal expenditures	Federal receipts	Excess of expenditures
		Percent	*Percent*	*Percent*
1940	$93	10	6	4
1941	106	13	7	6
1942	133	26	10	16
1943	172	46	13	33
1944	196	51	21	30
1945	198	50	21	30

NOTE.—Gross national product data are estimates by the Department of Commerce for 1940 through 1943 and by the Treasury Department for 1944 and 1945. Other data used in computing percentages are taken from preceding table. Proportions are rounded to nearest percent. For a more extended analysis of the gross national product and its relation to Federal operations in the fiscal year 1943, see p. 66.

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The figures on expenditures, receipts, and excess of expenditures used in the above table are the same as those used in the table that precedes it. The figures on gross national product are from the Department of Commerce except the estimates for the fiscal years 1944 and 1945, which were made by the Treasury.[1] These estimates reflect the Budget estimates for Federal operations and, like the Budget, assume the continuation of the war through June 1945.

As shown in the above table, the gross national product will have doubled between the fiscal years 1940 and 1944. Most of this change reflects an increase in actual physical production, revealing a productivity of the American industrial and agricultural economy which had hitherto been suspected only by the most optimistic. It is this achievement of industrial and agricultural America which has made possible the record attained to date both in fighting and in financing the war.

The expansion in the fiscal activities of the Federal Government has been enormous even when expressed in terms of the rapidly increasing gross national product. As shown in the table, total Federal expenditures will have increased from 10 percent of the gross product in the fiscal year preceding the commencement of the defense program to an estimated 51 percent in the fiscal year ending next June; while during the same period the receipts of the Federal Government will have increased from 6 to 21 percent of the gross product.

Need for additional taxes

The sevenfold growth in the receipts of the Federal Government will have been achieved by the expansion of our tax system under five successive defense and war revenue measures already passed by the Congress, each of which has acted upon a rapidly increasing national product. We have needed much more revenue than even these increases in taxes have produced but an adequate level of wartime tax revenue can be reached only by stages. It is difficult to step up taxes from a peacetime level fast enough to keep pace with wartime financial requirements. The successive adjustments which taxpayers must make to wartime taxes should be as large and rapid as feasible but not so drastic as to endanger the stability and productivity of the economy.

It is very important, however, that an intermediate stage of increased taxes should not be confused with the final goal for wartime taxation. We have by no means reached a level of taxation which can be considered adequate for the remainder of the war period. The Federal Government is now absorbing, principally for war purposes,

[1] Further information on the relationship of the gross national product to Federal fiscal operations is presented in the section on "Sources of funds for Federal borrowing," which begins on p. 66. Certain minor adjustments are made to the figures on Federal receipts and expenditures in that section in order to put them on the same technical basis throughout as the gross national product data, but these adjustments are omitted in the present brief statement. The general relationships indicated in the table are valid, however, since the adjustments are minor in magnitude.

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about one-half of the gross national product; but is receiving less than one-quarter of the amount of this product in Federal taxes. This situation can hardly be defended as the final goal of a sound program of war finance.

It is imprudent not to hold down the growth of the national debt by levying as large an amount in taxes as possible while this can be done without risk of unemployment of men or resources.

It is dangerous fiscal policy to continue the pressures on price ceilings and the risks of inflation involved in the present excess of Federal spending over Federal taxes, equal to more than one-quarter of the gross national product.

Finally, it is manifestly unfair to our men in the armed forces that we should postpone, until their return, the allocation of any larger proportion of the war cost than is absolutely necessary.

I recognize that the war cannot be wholly, or even nearly, paid for by current taxation. Economic incentives must be provided for workers to put forth their best efforts in hard grueling work, and for businessmen to strain every nerve to operate their businesses efficiently. Within these limits, however, taxes can be advanced. This should be done as rapidly as possible because the war will not wait and risks of inflation will not wait.

How far we are from the economic limit of Federal taxation is shown by the fact that one of the major economic problems now confronting the country is that of "excess" consumer spending power—i. e., spending power in excess of the available supply of civilian goods at present prices. This "excess" spending power is created by the excess of Federal expenditures over Federal taxes; and constitutes, on the one hand, a threat of inflation and, on the other, an evidence of ability to pay additional taxes.

The taxes needed to round out a sound program of war finance should be levied in accordance with the principle of ability to pay. This does not necessarily imply sole reliance on any particular type of tax. It is my sincere hope, however, that all of the needed revenue will be raised by levying taxes upon those best able to bear them and that none of it will be raised by the imposition of taxes on the necessities of life.

I am hopeful too that taxpayers can be substantially relieved from the expense and annoyance of complying with an unduly complex tax law. Our taxes must be made simple and easy to understand. Next to an adequate tax system, our greatest immediate need is tax simplification.

The tables on page 2, showing Federal receipts and expenditures, and their relationship to the gross national product, indicate that no substantial change is to be expected in the proportion of the gross national product absorbed by Federal taxation in the fiscal year 1945,

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as compared with the fiscal year 1944. The estimates of receipts in these tables, as previously noted, assume, among other things, a continuation of the tax laws existing on December 31, 1943. These estimates are not likely to be substantially altered by the taxes levied in the revenue bill now pending before the Congress. It is my hope, however, that actual revenues in the fiscal year 1945 will be materially higher than indicated in the tables because the Congress will see fit in subsequent legislation to strengthen the record of progress already made in sound war finance by increasing Federal taxes to a level more commensurate with the amount of the national product and the country's aggregate ability to pay.

Principles of wartime borrowing

The economic limits on the proportion of the total war cost which can ultimately be met from current taxation, taken together with the time which is required even under the most favorable circumstances to increase the yield of taxation to the amount ultimately feasible, have combined to produce a huge Federal deficit thus far in our participation in the war. In order to finance this deficit and to increase the working balance in the Treasury to a level commensurate with the wartime rate of expenditures, it was necessary to increase the interest-bearing public debt (including guaranteed issues) by $92 billions during the three-year period ended June 30, 1943.

In devising ways and means of raising this huge sum, the Treasury has been guided by the underlying principles that (1) the necessary funds should be raised in such a manner as to minimize the risk of inflation, (2) the liquidity of the Nation's financial institutions should be maintained and increased, thereby placing them in a strong position to confront the problems of the post-war period, (3) small investors in Government securities should be protected against loss, and (4) the cost of financing the war should be kept at a reasonable level.

In accordance with its objective of conducting its borrowing operations in such a way as to minimize the risk of inflation, the Treasury Department on May 1, 1941—more than 6 months before Pearl Harbor—introduced, and initiated a popular sales campaign for, three new issues of savings securities—Series E, F, and G savings bonds. In initiating the sales campaign for these securities, the Treasury was fortunate in being able to build upon the firm foundation of the popular confidence in and familiarity with United States savings bonds which had been gradually growing ever since their introduction in 1935.

Immediately following the entrance of the United States into the war, the Treasury Department commenced to emphasize the development of the payroll savings plan for the purchase of Series E savings

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bonds. Bonds sold in this manner absorb consumer purchasing power directly at its source and, consequently, have a maximum impact upon consumer spending. The payroll savings plan, therefore, has proved an extremely important weapon in the fight against inflation. An account of its progress to the close of the fiscal year is given beginning on page 46 of this report.

In addition to the payroll savings plan for the sale of Series E bonds, the Treasury Department—commencing with the campaign for the popular sale of all series of savings bonds inaugurated in May 1941, and already noted—initiated and maintained continuous campaigns for the sale of other types of Government securities, especially tax and savings notes. In the fall of 1942, it was decided to supplement these continuous sales campaigns by special periodic efforts. In accordance with this decision, the First and Second War Loan drives were conducted during the fiscal year, and were notably successful. A discussion of these drives is given beginning on page 36 of this report.

About $52 billions of the total increase in the public debt during the three fiscal years ended June 30, 1943, was absorbed by nonbank investors. The remaining $40 billions was absorbed by commercial and Federal Reserve Banks. A large part of the absorption by banks was necessary to provide for the increase in circulating medium required by the expanding wartime economy. A large portion of the remainder was necessary because markets for Government securities outside of the banking system, in the nature of the case, require time for their development. The Treasury is working continuously to expand these markets, however, and I hope to report a larger proportion of nonbank absorption of the increase in the public debt during the current fiscal year.

In accordance with the principle of maintaining the liquidity of the banking system, about half of the $40 billions of Government securities sold, on net balance, to the banking system during the 3 years ended with the fiscal year 1943 consisted of bills and certificates with a maturity not exceeding 1 year; and, since February 1942, the Treasury Department has offered to commercial banks, for the investment of their demand deposits, no securities with a maturity on original issuance longer than 10 years. These measures have preserved and increased the liquidity of the banking system, and have placed it in a strong position to deal with the problems of the postwar period.

The third of the principles which have governed Treasury wartime borrowing has been the protection of the interests of the small investor. The Treasury Department has considered itself the trustee for the inexperienced investor who purchases Government securities primarily to help his country in its time of stress, and places his faith in his Government that the securities he purchases are sound

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investments and are designed with a view to his own requirements. It is with this in mind that the Treasury Department's appeal to small investors has been confined to Series E savings bonds, which are nonnegotiable and payable on demand 60 days after issue date. They are, hence, guaranteed against fluctuations in market value. Their investment yield if held to maturity—2.9 percent—is the highest obtainable on any United States Government security.

Series E savings bonds are thus especially advantageous to the small investor, as compared with marketable bonds, since E bonds afford him absolute protection against fluctuations in market value. I believe that the view sometimes expressed that the interest of the Government is otherwise and would be better served by marketable securities of fixed terms is based upon an incorrect analysis of the real problem which is presented by securities of either type when held by small investors. This problem is that the securities may be disposed of by their owners and the proceeds spent for consumers' goods and services at a time when such goods and services are scarce. It does not matter, as far as the main issue is concerned, whether the securities so disposed of are presented directly to the Treasury for redemption or are sold in the market. In either case, the expenditure of the proceeds of the securities would increase the aggregate demand for goods and services and so would tend to increase the price level if it occurred during a period when goods and services were scarce—or to increase production and employment if it occurred during a time when goods and services were in supply. In either case also, the effect of the disposal of the securities by their original owners would be either to increase the amount of Government securities held by banks or with bank credit or to offset in whole or in part a reduction in the amount of securities so held which would otherwise have occurred.

On the broad economic issue, therefore, the advantages and disadvantages of selling nonnegotiable and marketable securities, respectively, to small investors appear to be the same. On two subsidiary counts, however, the case is decidedly in favor of nonnegotiable securities. These counts are: (1) Nonnegotiable securities with guaranteed redemption values are not subject to the panicky liquidation which is likely to occur among small holders of marketable securities in the event of a decline in their market value, and so are not likely to be disposed of until the holder feels an actual need for the use of their proceeds, and (2) when nonnegotiable securities are redeemed, they can be refunded in an orderly manner through the issuance of the types of new securities best fitted to the market at that time. In this respect, nonnegotiable securities are much superior from a technical point of view to marketable securities which, under similar circumstances, would dribble into the market in small blocks—in part through irregular channels where the original holders may not have received full value.

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It seems to me, therefore, that the contrast sometimes made between the interest of the whole economy and the interest of the individual investor in this respect is a false one—both interests are better served by the issuance of nonnegotiable securities, such as the present savings bonds, than they would be by the issuance of marketable securities of fixed term.

Finally, we have endeavored to finance the war at a reasonable level of interest rates. We have received in this endeavor the wholehearted cooperation of the Federal Reserve System, the commercial banks, and the investing public generally; and I believe that the results which have been obtained are a tribute to the democratic method of war finance and will contribute immeasurably to the stability of the economy in the post-war period.

On June 30, 1940, at the commencement of the period of defense finance, the average rate of interest on the entire public debt (including guaranteed issues) amounted to 2.51 percent; by June 30, 1943, this average rate on the entire debt had fallen to 1.98 percent. The average rate on all new borrowing during this period amounted to 1.73 percent, despite the fact that over 95 percent of this borrowing—all of it since February 28, 1941—had been accomplished by the issuance of taxable securities. This compares with an average rate of 4.25 percent on borrowing during the last World War, when all of the securities issued were either wholly or partially tax-exempt.

There follows a detailed discussion of receipts and expenditures, public debt operations, taxation and monetary developments, and other Treasury operations during the fiscal year.

RECEIPTS IN GENERAL AND SPECIAL ACCOUNTS

The fiscal year 1943 was the third consecutive year in which receipts of the Federal Government rose to a level exceeding that of any previous year in the Nation's history. In the fiscal year 1941, under the impetus of the national defense program, net receipts reached a then unprecedented level. In the fiscal year 1942, which was marked by the shift from a defense to a war economy, net receipts exceeded those of the preceding fiscal year by 68.2 percent. In 1943, the first full fiscal year to reflect the economic effect of a period of intensive war activity, net receipts again increased, this time by 74.1 percent over those of the preceding fiscal year. The changing trend in these receipts in the fiscal years 1937 through 1943 is pictured, by major sources, in the chart on page 9.

The increase in receipts in the fiscal year 1943 is attributable to the generally higher incomes of taxpayers, to an attendant increase in expenditures for taxable commodities, and to the imposition of new taxes and of higher tax rates. The Revenue Act of 1942 increased the tax on corporation incomes by raising the surtax and the excess

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RECEIPTS,[1] CLASSIFIED BY MAJOR SOURCES

FISCAL YEARS 1937 THROUGH 1943

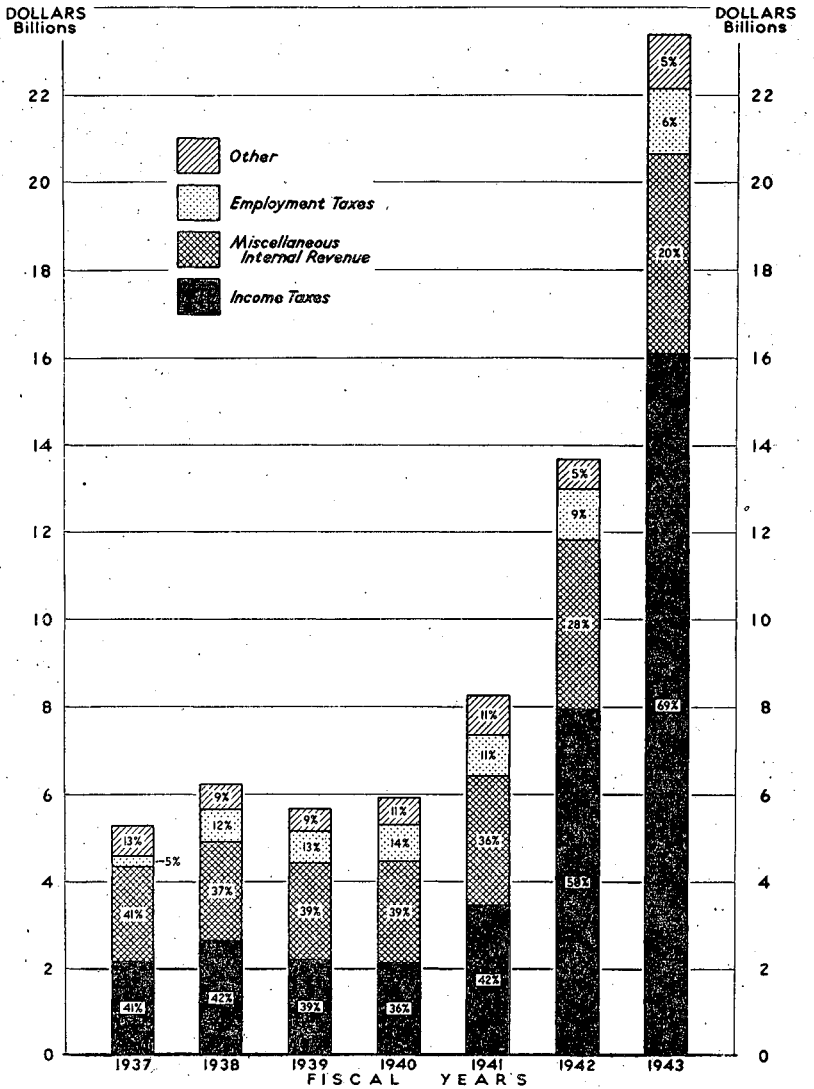


CHART 2.

[1] Excludes trust account receipts and net appropriation to the Federal old-age and survivors insurance trust fund.

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profits tax rates. Individual incomes were subjected to higher taxes by means of lowered personal exemptions and credits for dependents, by increased normal and surtax rates, and by the introduction of the Victory tax. The Revenue Act of 1942 also imposed higher excise taxes on a number of commodities and brought additional commodities into the taxable group.

The full effect of the provisions of the Revenue Act of 1942 was not reflected in the 1943 receipts, however. The act was approved on October 21, 1942, almost 4 months after the opening of the fiscal year. With respect to a number of the taxes, changes made by the law were not effective until subsequent dates. In addition, statutory lags in the collection of taxes, particularly in the case of the income, estate, and gift taxes, served to reduce the portion of the fiscal year 1943 receipts which was affected by the act. However, an important part of the increase in receipts, as compared with those of the preceding fiscal year, was attributable to this legislation.

A comparison of receipts, by major sources, in the fiscal years 1942 and 1943 is presented in the table following, and a more detailed comparison is contained in table 6 on page 501 of this report.

Receipts by major sources, fiscal years 1942 and 1943 [1]

[Dollars in millions]

Source	1942	1943	Increase or decrease (−), 1943 over 1942		Percent of total increase in receipts from general and special accounts, 1943 over 1942
			Amount	Percent	
Internal revenue:					
Income and excess profits taxes:					
Corporation:					
Income tax, current	$2,764.0	$4,137.0	$1,373.0	49.7	14.1
Excess profits	1,618.2	5,063.9	3,445.7	212.9	35.5
Declared value excess profits tax	52.2	82.4	30.2	57.9	.3
Total current corporation [2]	4,434.4	9,283.3	4,848.9	109.3	49.9
Individual:					
Income tax, current	3,108.0	5,771.0	2,663.0	85.7	27.4
Withholding at source on salaries and wages		686.0	686.0		7.1
Total current individual	3,108.0	6,457.0	3,349.0	107.8	34.5
Back taxes:					
Corporation income	305.3	383.9	78.6	25.7	1.0
Individual income	154.8	172.9	18.1	11.7	(3)
Unjust enrichment tax	4.4	1.8	−2.6	−59.1	(3)
Total back taxes [4]	464.5	558.6	94.1	20.3	1.0
Total income and excess profits taxes (collection basis)	8,006.9	16,298.9	8,292.0	103.6	85.3
Adjustment to daily Treasury statement	−46.4	−205.2	−158.8		−1.6
Total income and excess profits taxes (daily Treasury statement basis)	7,960.5	16,093.7	8,133.2	102.2	83.7

Footnotes at end of table.

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Receipts by major sources, fiscal years 1942 and 1943 [1]—Continued

Source	1942	1943	Increase or decrease (−), 1943 over 1942		Percent of total increase in receipts from general and special accounts, 1943 over 1942
			Amount	Percent	
Internal revenue—Continued.					
Miscellaneous internal revenue:					
Capital stock tax	$281.9	$328.8	$46.9	16.6	.5
Estate tax	340.3	414.5	74.2	21.8	.8
Gift tax	92.2	33.0	−59.2	−64.2	−.6
Liquor taxes [5]	1,046.9	1,423.5	376.6	36.0	3.9
Tobacco and products taxes [5]	780.8	923.9	143.1	18.3	1.5
Stamp taxes	41.7	45.2	3.5	8.4	(3)
Manufacturers' excise taxes:					
Gasoline	369.6	288.8	−80.8	−21.9	−.8
Automobiles, trucks, tires, tubes, and parts or accessories	180.5	44.4	−136.1	−75.4	−1.4
Electrical energy	50.0	48.7	−1.3	−2.6	(3)
Lubricating oils	46.4	43.3	−3.1	−6.7	(3)
All other [5]	121.8	79.0	−42.8	−35.1	−.4
Total manufacturers' excise taxes	768.3	504.3	−264.0	−34.4	−2.7
Retailers' excise taxes	80.2	165.3	85.1	106.1	.9
Miscellaneous taxes:					
Telephone, telegraph, radio and cable facilities, etc	48.2	91.2	43.0	89.2	.4
Local telephone service	26.8	67.0	40.2	150.0	.4
Transportation of persons	21.4	87.1	65.7	307.0	.7
Transportation of property		82.6	82.6		.9
Admissions	115.0	154.5	39.5	34.3	.4
Use of motor vehicles and boats	72.9	146.7	73.8	101.2	.8
Sugar tax [5]	68.2	53.6	−14.6	−21.4	−.2
All other, including repealed taxes [5] [6]	52.9	50.3	−2.6	−4.9	(3)
Total miscellaneous taxes	405.4	732.8	327.4	80.8	3.4
Total miscellaneous internal revenue (collection basis)	3,837.7	4,571.1	733.4	19.1	7.5
Adjustment to daily Treasury statement	+9.4	−18.5	−27.9		−.3
Total miscellaneous internal revenue (daily Treasury statement basis)	3,847.1	4,552.6	705.5	18.3	7.3
Employment taxes:					
Employment by other than carriers:					
Federal Insurance Contributions Act	895.6	1,130.5	234.9	26.2	2.4
Federal Unemployment Tax Act	119.9	158.4	38.5	32.1	.4
Total	1,015.6	1,288.9	273.3	26.9	2.8
Carriers and their employees	170.0	208.8	38.8	22.8	.4
Total employment taxes	1,185.6	1,497.7	312.1	26.3	3.2
Total internal revenue	12,993.1	22,144.0	9,150.9	70.4	94.2
Railroad unemployment insurance contributions	8.5	10.3	1.8	21.2	(3)
Customs	388.9	324.3	−64.6	−16.6	−.7
Total internal revenue taxes, railroad unemployment insurance, and customs	13,390.5	22,478.5	9,088.0	67.9	93.5
Miscellaneous receipts	277.4	906.1	628.7	226.6	6.5
Total receipts, general and special accounts	13,667.9	23,384.6	9,716.7	71.1	100.0
Deduct: Net appropriation for Federal old-age and survivors insurance trust fund	868.9	1,103.0	234.1	26.9	
Net receipts, general and special accounts	12,799.1	22,281.6	9,482.5	74.1	

NOTE.—Dollar figures are rounded to nearest tenth of a million and will not necessarily add to totals.

[1] The detail of income taxes and miscellaneous internal revenue taxes is on the basis of internal revenue collections with totals adjusted to the basis of the daily Treasury statement. Employment taxes, railroad unemployment insurance contributions, customs, and miscellaneous receipts are shown on the daily Treasury statement basis. General and special accounts are combined.

[2] Includes back excess profits and declared value excess profits taxes.

[3] Less than 0.05 percent.

[4] Excludes back corporation excess profits and declared value excess profits taxes.

[5] Collections for credit to trust funds are not included.

[6] "All other, including repealed taxes" includes tobacco floor stocks taxes (receipts under 1940 and prior acts); narcotics, including marihuana and special taxes; National Firearms Act; hydraulic mining tax; and all other repealed taxes not reinstated by the Revenue Act of 1942.

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Total receipts in general and special accounts in the fiscal year 1943 amounted to $23,384.6 millions. Net receipts, after deduction of the net appropriations for the Federal old-age and survivors insurance trust fund, amounted to $22,281.6 millions. Corresponding receipts in the fiscal year 1942 were $13,667.9 millions and $12,799.1 millions. All major revenue sources except customs contributed to the increase of $9,716.7 millions in total receipts in 1943. Income and excess profits taxes on corporations provided 49.9 percent of this increase and income taxes on individuals provided 34.5 percent. In the aggregate, income and excess profits taxes accounted for an increase of $8,133.2 millions, or 83.7 percent of the whole increase in total receipts. Other major sources of revenue contributed to the increase in these proportions: miscellaneous internal revenue, 7.3 percent; miscellaneous receipts, 6.5 percent; and employment taxes, 3.2 percent. The decrease in customs receipts amounted to $64.6 millions.

The percentage composition of total receipts by tax sources changed markedly in the fiscal year 1943 as compared with that of the fiscal year 1942. Income and excess profits taxes, which accounted for 58.2 percent of total receipts in the fiscal year 1942, rose to 68.8 percent of total receipts in the fiscal year 1943. As a result, the total amount of revenue derived from all other major tax sources in the fiscal year 1943 represented a smaller percentage of total receipts from all sources than did the comparable amount in the fiscal year 1942. Receipts from miscellaneous internal revenue and employment taxes increased in absolute amounts but decreased in their ratio to total receipts from 28.1 and 8.7 percent, respectively, in the fiscal year 1942 to 19.5 and 6.4 percent, respectively, in the fiscal year 1943. The percentage of total receipts which was derived from miscellaneous receipts rose from 2.0 percent in the fiscal year 1942 to 3.9 percent in the fiscal year 1943 because of the large increase in the absolute amount of revenue from this source. Receipts from customs decreased in amount as well as in percentage.

In the fiscal year 1943 current corporation income tax receipts from the corporation normal tax and surtax amounted to $4,137.0 millions. This is an increase of $1,373.0 millions or 49.7 percent over the $2,764.0 millions received from these sources in the fiscal year 1942. Current corporation income tax liabilities in respect of incomes of the calendar year 1941 affected to approximately the same extent the receipts in each of the fiscal years 1942 and 1943. Hence, the increase was attributable principally to higher income levels and increased tax rates existing in the calendar year 1942 as compared with those in the calendar year 1940.

Corporation excess profits tax receipts in the fiscal year 1943 aggregated $5,063.9 millions, an increase of $3,445.7 millions or 212.9 percent over collections of $1,618.2 millions from this source in the fiscal

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year 1942. The increase was principally attributable to consecutive increases in corporation incomes (in each of the taxable calendar years whose incomes contributed to the tax collections in the respective fiscal years under consideration) and to a higher effective rate of tax on these incomes. The increase in the effective tax rate resulted from the broadening of the tax bases and the increasing of the tax rates.

Increases in corporation excess profits tax receipts attributable to increases in corporation income depend on the relative effects of changes in liabilities in the calendar years 1940, 1941, and 1942 on the fiscal year collections.

Receipts of excess profits taxes in the fiscal year 1942 represented the balance (approximately one-half) of the liability collected in respect of calendar year 1940 incomes which had not been received in the fiscal year 1941 and approximately one-half of the liability payable in respect of calendar year 1941 incomes. The balance of the liabilities collected in respect of calendar year 1941 incomes appeared in fiscal year 1943 receipts which also contained about one-half of the liabilities for excess profits taxes in respect of calendar year 1942 incomes. Since the calendar year 1942 corporation incomes were very much larger than those of corporations in the calendar year 1940, and since an approximately equal portion of the taxes in respect of the incomes in the calendar year 1941 appeared in each fiscal year's receipts, it is clear that the increase in incomes in the calendar year 1942 as compared with the incomes in the calendar year 1940 was one of the principal factors which augmented the fiscal year 1943 receipts of corporation excess profits taxes.

In addition, a higher effective rate of tax was levied on these higher incomes. A summary comparison of the pertinent changes in the law which contribute to this result is as follows: Under the Second Revenue Act of 1940, which was applicable in general to corporation incomes earned in the calendar year 1940, the income tax was allowed as a deduction from adjusted excess profits net income, thus decreasing the base of the excess profits tax as compared with the law in force in the succeeding years. Under the Revenue Acts of 1941 and 1942, which were applicable in calendar years 1941 and 1942, respectively, the excess profits tax was computed before deduction of the corporation income taxes, thus broadening the excess profits tax base for the incomes of those years.

Whereas the Second Revenue Act of 1940, under which the liability for excess profits taxes for incomes in the calendar year 1940 was determined, imposed excess profits tax rates varying from 25 to 50 percent (depending upon the absolute amount of adjusted excess profits net income), the Revenue Act of 1941 in effect taxed corporations with respect to 1941 incomes at excess profits tax rates which varied from 35 to 60 percent of their adjusted excess profits net income, depending

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upon the absolute amount of such income. The Revenue Act of 1942, under which the liability for excess profits taxes on corporation incomes for the calendar year 1942 was determined, imposed a flat excess profits tax rate of 90 percent, subject to the limitation that the aggregate of the normal tax, surtax, and the excess profits tax could not exceed 80 percent of the corporation surtax net income, computed without the credit allowed for the adjusted excess profits net income. Some alleviation of the impact of the high rates was provided by a post-war credit, for each taxable year ending after December 31, 1941 (except in the case of a taxable year beginning in 1941 and ending before July 1, 1942), and not beginning after the date of cessation of hostilities in the present war, of an amount equal to 10 percent of the excess profits tax. At the election of the taxpayer, the post-war credit can be taken currently in an amount up to 40 percent of the amount paid in net reduction of indebtedness, provided this does not exceed the post-war credit for the taxable year.

The declared value excess profits tax, while classified as an income tax, is really a companion tax of the capital stock tax which is classified as an excise tax. The declared value excess profits tax applies only if a corporation fails to declare its capital stock at a value at least equal to 10 times the earnings taxable under the declared value excess profits tax. Hence the amount received under this tax depends upon the accuracy with which corporations predict their earnings.

The time of filing the capital stock declaration, which is used as a basis for the declared value excess profits tax receipts in the fiscal year 1943, was postponed from July 31, 1942, to November 28, 1942, by Public Law 720, approved September 29, 1942. As a result, corporations on a calendar year basis had to estimate their income for only 1 month of the year in the calendar year 1942, whereas in the previous year, when the timing of the filing of the capital stock tax return was postponed by the Revenue Act of 1941 from July 31, 1941, to October 29, 1941, 2 months' incomes had to be estimated. The 1941 declaration of capital stock valuation which determined the fiscal year 1942 declared value excess profits tax receipts was a 3-year declaration which could not be revised downward whereas the declaration made in the calendar year 1942 was for 1 year only.

In spite of the more favorable circumstances prevailing in the declaration of capital stock valuation made in the calendar year 1942, corporations missed their capital stock valuations which would insure them against the payment of the declared value excess profits tax by a wider margin than in the calendar year 1941. Hence, receipts from the declared value excess profits tax in the fiscal year 1943 totaled $82.4 millions, an increase of 57.9 percent as compared with receipts of $52.2 millions from this source in the preceding fiscal year.

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Receipts from corporation back income taxes in the fiscal year 1943 amounted to $383.9 millions as against $305.3 millions in the fiscal year 1942. This represents an increase of $78.6 millions or 25.7 percent.

Current individual income tax receipts of $6,457.0 millions in the fiscal year 1943 were $3,349.0 millions or 107.8 percent greater than the $3,108.0 millions received from this tax source in the fiscal year 1942. Included in the fiscal year 1943 receipts from this source were some receipts from the withholding at the source of 5 percent of salaries and wages, which were received in the calendar year 1943 at a payroll period rate in excess of an annual rate of $624. Receipts in the fiscal years 1942 and 1943 from income taxes were dependent on the liabilities in respect of income received during the calendar years 1940 to 1942, inclusive. The tax liability in each of these calendar years was successively higher. This was due in part to the increased levels of income in each year over that of the preceding year, and in part to the higher effective tax rate levied on these incomes as a result of changes in rates and exemptions.

In the case of the individual income tax the liabilities in respect of the incomes of a particular calendar year are not collected in equal proportions in each of the 2 fiscal years affected, more than half of the calendar year's liability being received in the first six months of the succeeding calendar year. The portion of receipts based on the liability incurred in respect of the calendar year 1941 incomes which was collected in the fiscal year 1943 was $1,223.8 millions less than the portion collected in the fiscal year 1942. The portion of fiscal year 1943 receipts representing liability incurred in respect of calendar year 1942 incomes was $3,886.8 millions greater than the fiscal year 1942 receipts from liability incurred in respect of income of the calendar year 1940. Hence, the net increase of ordinary net income tax receipts in the fiscal year 1943 amounted to $2,663.0 millions. The addition of withholding tax receipts of $686.0 millions accounted for a total increase of income tax collections for the fiscal year 1943 of $3,349.0 millions.

Receipts from back taxes on individual incomes amounted to $172.9 millions in the fiscal year 1943. This was an increase of $18.1 millions or 11.7 percent over the $154.8 millions received in the fiscal year 1942.

Miscellaneous internal revenue receipts were $4,552.6 millions, an increase of $705.5 millions or 18.3 percent over receipts of $3,847.1 millions in the fiscal year 1942. Receipts from the taxes in this category, with the exception of the capital stock, estate, and gift taxes, are excise taxes dependent upon the sale of certain commodities and services. The net increase in receipts from the excise taxes was, therefore, a further result of the combined effect of higher income levels, in-

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creased tax rates, and the addition of new taxes. As compared with receipts in the fiscal year 1942, the receipts from certain taxes such as gift taxes and manufacturers' excise taxes decreased because of special circumstances affecting their tax bases. Such decreases, however, were more than offset by increases in receipts from the other taxes in the miscellaneous internal revenue classification.

The capital stock tax is in the nature of an insurance payment to avoid the higher rates of the declared value excess profits tax which apply when the corporation earnings subject to the declared value excess profits tax are more than 10 percent of the declared valuation of the capital stock. Receipts from the capital stock tax totaled $328.8 millions in the fiscal year 1943, an increase of 16.6 percent as compared with receipts of $281.9 millions in the fiscal year 1942. The tax rates were the same in both fiscal years so that the increased collections from this tax represented higher capital stock valuations on the returns filed on November 28, 1942, as compared with those on the returns filed on October 29, 1941. This higher declaration resulted from the estimate on the part of corporations that their calendar year 1942 incomes would be higher than their 1941 incomes.

Estate tax receipts were $414.5 millions in the fiscal year 1943, an increase of $74.2 millions or 21.8 percent over the receipts of $340.3 millions in the fiscal year 1942. The increase is attributable in part to an increase in the general level of property valuation for estate tax purposes during the periods in which liability was incurred, and in part to the higher rates imposed by the Revenue Act of 1941 which were partially reflected in the fiscal year 1943 receipts. The 15-month statutory lag permissible in the filing of estate tax returns accounted for the fact that the higher rates of the Revenue Act of 1941 were not fully effective in the fiscal year 1943 receipts and that rates of the Revenue Act of 1942 were applicable to only a few of the returns filed during the fiscal year 1943.

Gift tax receipts of $33.0 millions in the fiscal year 1943 were $59.2 millions or 64.2 percent less than in the fiscal year 1942. The decrease may be accounted for by the large number of gifts made in the calendar year 1941 as compared with the number made in the calendar year 1942. The Revenue Act of 1941, approved September 20, 1941, made the increased estate tax rates effective immediately but provided that the increased gift tax rates would be effective on gifts made on or after January 1, 1942. Receipts in the fiscal year 1942, therefore, were affected by the tax-saving incentive for making gifts in the calendar year 1941. Following a year of larger gifts because of special incentives, gifts during the calendar year 1942 were lower, as were the gift tax receipts in the fiscal year 1943, even though the higher gift tax rates imposed by the Revenue Act of 1941 were effective.

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Receipts from liquor taxes totaled $1,423.5 millions in the fiscal year 1943. This amounted to an increase of $376.6 millions or 36.0 percent, as compared with the $1,046.9 millions received from this source in the fiscal year 1942. The Revenue Act of 1942 provided for increases in the rates of tax on sales, beginning November 1, 1942, of distilled spirits, fermented malt liquors, and wines. These changes, although they were in effect through only 8 months of the fiscal year 1943, were largely responsible for the increased revenues from these sources. Receipts from the tax on distilled spirits in the fiscal year 1943 were $781.7 millions or 36.1 percent greater than the 1942 receipts of $574.3 millions. An increase of 24.4 percent was shown in the fiscal year 1943 receipts from fermented malt liquors which were $455.6 millions or $89.4 millions greater than receipts in the fiscal year 1942. The revenues from wines in the fiscal year 1943, which were $33.7 millions, showed an increase of 40.4 percent over the fiscal year 1942 revenues of $24.0 millions. Increased consumption of wines as well as higher Federal excise tax rates contributed to this increase.

Tobacco tax receipts in the fiscal year 1943 were $923.9 millions. This amount was $143.1 millions or 18.3 percent greater than the fiscal year 1942 receipts of $780.8 millions. The higher tax rates imposed by the Revenue Act of 1942 were in effect through only 8 months of the fiscal year 1943 and therefore did not fully contribute to the fiscal year receipts. The largest source of these receipts was the tax on cigarettes, which amounted to $835.2 millions in the fiscal year 1943. This was $130.3 millions or 18.5 percent greater than receipts of $704.9 millions in the fiscal year 1942. The receipts from cigar taxes in the fiscal year 1943, which were $23.1 millions, showed an increase of 62.7 percent over the 1942 receipts of $14.2 millions. Both the higher tax rates and a trend toward smoking higher priced cigars contributed to this increase. Although the tax rates on chewing and smoking tobacco and snuff have remained the same during the past 2 fiscal years, the revenue from chewing and smoking tobacco decreased 8.3 percent, showing a decline in the use of these products, while snuff continued to show a relatively stable demand with an increase of only $0.1 million over 1942 receipts of $7.4 millions.

In the revenues from manufacturers' excise taxes may be seen the effect of restrictions on the manufacturers' use, for civilian consumption, of essential materials that are vital to the war effort. The elimination of automobiles, electrical appliances, machines, etc., from the market all contributed to the decrease of 34.4 percent in the 1943 manufacturers' excise tax collections of $504.3 millions as compared with those of $768.3 millions in the fiscal year 1942. Receipts from the tax on gasoline, which formed the largest source of revenue in this group, amounted to $288.8 millions in the fiscal year 1943. This was

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a decrease of 21.9 percent below the fiscal year 1942 receipts of $369.6 millions. The decrease may be attributed to the effect of restrictions on the use of gasoline by means of a rationing system which operated throughout the fiscal year in the eastern Seaboard States and on a Nation-wide basis beginning December 1, 1942.

Five tax sources within the manufacturers' excise tax group showed increases in receipts. Receipts from the taxes on sporting goods, luggage, photographic apparatus, and electric light bulbs represented collections for 12 months in the fiscal year 1943 as compared with only 8 months in the fiscal year 1942. In the case of photographic apparatus the tax rate was further increased under the Revenue Act of 1942, accounting for part of the increase in revenues. The tax on electric signs, rubber articles, commercial washing machines, and optical equipment was repealed by the Revenue Act of 1942, resulting in a decrease in the revenues from these sources in the fiscal year 1943 as compared with the fiscal year 1942.

Retailers' excise taxes were $165.3 millions in the fiscal year 1943, amounting to an increase of $85.1 millions or 106.1 percent over the 1942 taxes of $80.2 millions. These taxes on the retail sales of jewelry, furs, and toilet preparations went into effect on October 1, 1941, and were unchanged by the Revenue Act of 1942. The increase in consumer incomes and the ability to buy luxuries, as well as the fact that collections for an entire year make up the fiscal year 1943 receipts as compared with collections for only 8 months in the fiscal year 1942, contributed to the high rate of increase from these taxes.

Miscellaneous taxes were $732.8 millions in the fiscal year 1943. This was an increase of $327.4 millions or 80.8 percent over the $405.4 millions which were received in the fiscal year 1942. The greatest percent of increase was shown in the revenue from the tax on transportation of persons which rose 307.0 percent in 1943 over the fiscal year 1942 receipts of $21.4 millions. Two factors which contributed to this increase were the doubling of the tax rate and the greater volume of passenger traffic. The effect of these factors was partially offset by exemptions given to military personnel. A new tax, effective as of December 1, 1942, was imposed by the Revenue Act of 1942 on transportation of property. The revenue from the latter source, representing collections for the remaining portion of the fiscal year, amounted to $82.6 millions and was 25.2 percent of the total increase in receipts from miscellaneous taxes. Higher tax rates which were imposed by the Revenue Act of 1942 on the various forms of communication, plus the effect of higher levels of business activity which resulted in the increased use of these services, increased the revenues from local telephone service by 150.0 percent and from long distance telephone, telegraph, radio and other facilities by 89.2 percent. Revenues from local telephone service were $67.0 millions in the fiscal

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year 1943, an amount which was $40.2 millions greater than in the fiscal year 1942; while revenues from all other taxable types of communications were $91.2 millions in the fiscal year 1943 or $43.0 millions greater than in the fiscal year 1942. The effect of higher incomes can be seen in the revenues from such taxes as those on admissions, coin-operated amusement and gaming devices, bowling alleys, billiard and pool tables, all of which increased in the fiscal year 1943 as compared with the fiscal year 1942.

Total employment tax receipts increased from $1,185.6 millions in the fiscal year 1942 to $1,497.7 millions in the fiscal year 1943. The greater portion of the increase may be attributed to the higher level of taxable pay rolls. Unprecedented wartime activity increased industrial employment and pay rolls to a record level; longer hours and intensive use of equipment resulted in a marked increase in railroad pay rolls. There had been no changes in rates or coverage since the fiscal year 1942, with the exception of a statutory increase in the tax on carriers and their employees, which affected receipts in only the last 3 months of the fiscal year 1943.

Receipts under the Federal Insurance Contributions Act increased from $895.6 millions in the fiscal year 1942 to $1,130.5 millions. Under the Federal Unemployment Tax Act, receipts rose from $119.9 millions to $158.4 millions. Under the Carriers Taxing Act, receipts in the fiscal year 1943 amounted to $208.8 millions, as compared with receipts in the fiscal year 1942 of $170.0 millions. Approximately $4.5 millions of this $38.8 million increase resulted from an increase in the tax rate. The tax on employment after December 31, 1942, was increased to 3¼ percent on both the carriers and their employees (total 6½ percent) from the former rate of 3 percent on both employers and employees.

Railroad unemployment insurance contributions in the fiscal year 1943 were $10.3 millions as compared with $8.5 millions in 1942. This was an increase of 21.2 percent.

Customs receipts in the fiscal year 1943 were $324.3 millions. This amount was $64.6 millions less than the receipts of $388.9 millions in the fiscal year 1942. This decrease was almost entirely accounted for by operations in the first half of the fiscal year, receipts in the second 6 months being slightly greater than in the corresponding period of the fiscal year 1942. The dutiable imports on which at least $20 millions of revenue were collected in the fiscal year 1943 were, as in the fiscal year 1942, wool, agricultural products, sugar and molasses, metals, spirits and wines, and tobacco. Duties on these commodities varied in the order of importance with respect to revenues, but accounted for more than 85 percent of total receipts from customs in the fiscal year 1943 as compared with approximately 79 percent in the fiscal

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year 1942. The net decrease in receipts in the fiscal year 1943 was occasioned by wartime restrictions on the use of shipping facilities, by controls stressing the importation of only those materials necessary for war production or for supplementing supplies for domestic consumption, and by provisions for importing strategic materials free of duty. There was also the effect of a number of trade agreements with countries which granted reductions in the existing tariff rates.

Miscellaneous receipts in the fiscal year 1943 amounted to $906.1 millions, an increase of $628.7 millions over the fiscal year 1942 receipts. Most of the increase in receipts represented the cash returned to the Treasury as a result of renegotiations of war contracts by the War and Navy Departments and the United States Maritime Commission.

EXPENDITURES FROM GENERAL AND SPECIAL ACCOUNTS

Total expenditures of the Federal Government from general and special accounts amounted to $78.2 billions during the fiscal year 1943, which was nearly two and one-half times the amount expended in the year before. A comparison of expenditures in the fiscal year 1943 with those in the two preceding fiscal years classified to show war and other expenditures separately appears in the table that follows.

Expenditures, fiscal years 1941 through 1943

[Dollars in billions. On basis of daily Treasury statements, see p. 459]

Purpose	1941		1942		1943		Total	
	Amount	Per-cent	Amount	Per-cent	Amount	Per-cent	Amount	Per cent
War	$6.3	49.3	$26.0	80.0	$72.1	92.2	$104.4	84.6
Other:								
General	5.3	41.5	5.1	15.8	4.3	5.5	14.7	11.9
Interest on the public debt	1.1	8.7	1.3	3.9	1.8	2.3	4.2	3.4
Statutory debt retirements	.1	.5	.1	.3	(*)	(*)	.2	.1
Total	12.8	100.0	32.5	100.0	78.2	100.0	123.4	100.0

NOTE.—Figures are rounded and will not necessarily add to totals.

*Less than $50 millions or 0.05 percent.

War expenditures, it is noted from the table above, multiplied more than 11 times between 1941 and 1943. Other expenditures of the Federal Government declined except for interest on the public debt which rose from $1.1 billions in 1941 to $1.8 billions in 1943.

Expenditures in each of the past 3 fiscal years are summarized by general functions in the table on page 22. The trend of expenditures for recent years is shown in Chart 3.

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EXPENDITURES,[1] CLASSIFIED BY MAJOR FUNCTIONS

FISCAL YEARS 1937 THROUGH 1943

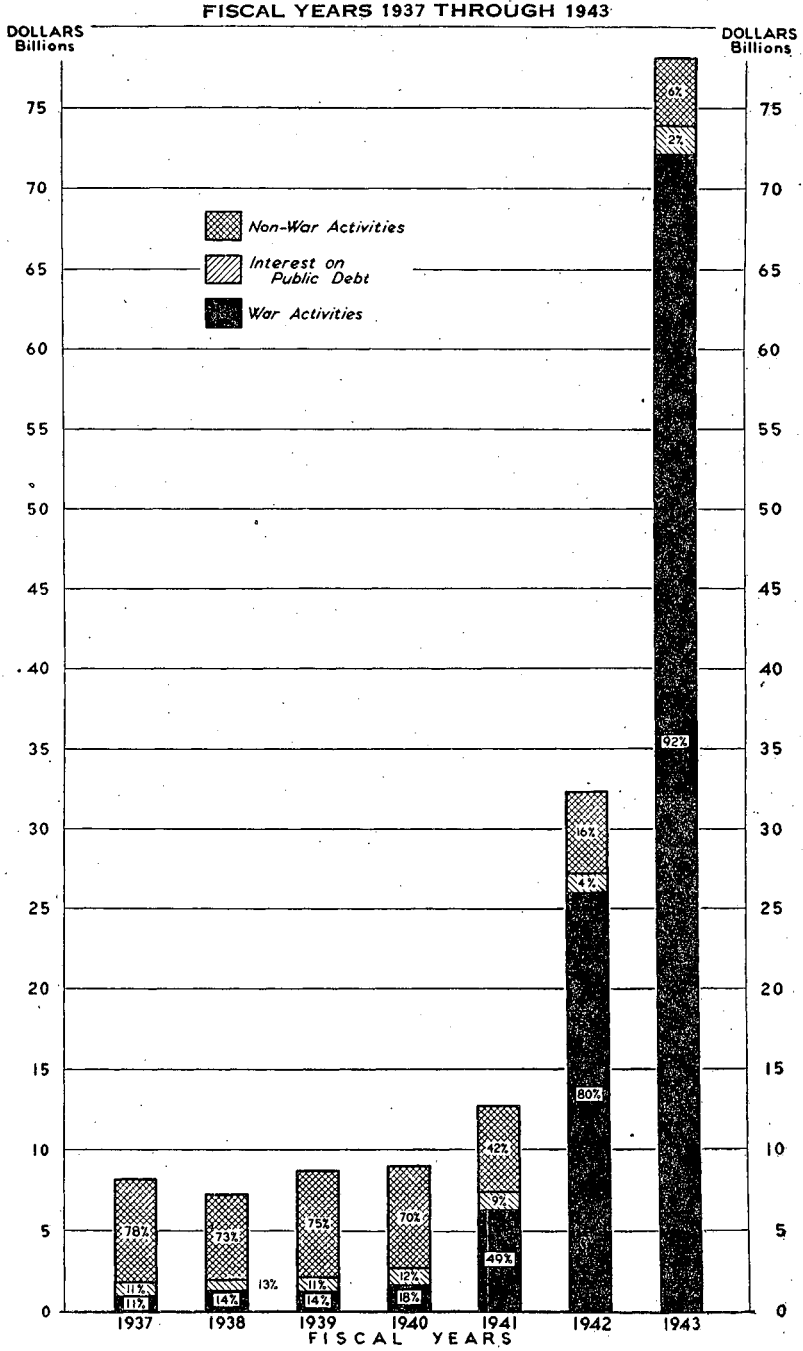


CHART 3.

NOTE.—Expenditures for nonwar activities shown in this chart include some outlays which had the furtherance of defense or of the war effort as an objective. The expenditures for such activities were made from general appropriations and could not accordingly be classified as part of the war program.

[1] Excludes statutory debt retirements and trust account expenditures.

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Classification of expenditures, fiscal years 1941 through 1943, by organizations and functions

[In millions of dollars. On basis of daily Treasury statements, see p. 459]

Organization and function	1941	1942	1943	Total
War expenditures:				
War Department	3,678	14,070	42,265	60,013
Navy Department	2,313	8,580	20,888	31,781
United States Maritime Commission	51	929	2,776	3,756
War Shipping Administration		132	1,105	1,237
Other	259	2,300	5,075	7,634
Subtotal	6,301	26,011	72,109	104,421
General expenditures:				
Veterans' pensions and benefits	563	556	602	1,721
Social security program	588	659	735	1,983
Public works	738	680	543	1,961
Aid to agriculture	[1] 937	1,225	1,163	3,326
Relief and work relief	1,632	1,133	317	3,082
Other	840	873	901	2,614
Subtotal	5,299	5,125	4,262	14,686
Public debt:				
Interest	1,111	1,260	1,808	4,179
Statutory retirements	64	95	3	162
Subtotal	1,175	1,355	1,812	4,341
Total expenditures	12,775	32,491	78,182	123,449

NOTE.—Figures are rounded to nearest million and will not necessarily add to totals.

[1] Reduced by $315 millions, representing payments into the Treasury of capital and surplus of certain agricultural corporations, of which $70 millions were resubscribed in 1942 and $59 millions were resubscribed in 1943. Details are shown in the Annual Report of the Secretary of the Treasury for 1941, p. 50.

Monthly expenditures, as shown in the table on page 24, rose from $831 millions in July 1940, at the beginning of the defense program, to $1.5 billions in June 1941, to $4.5 billions in June 1942, and to $8.3 billions in June 1943. Monthly expenditures for war purposes and for other purposes exclusive of statutory debt retirements appear in Chart 4.

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MONTHLY EXPENDITURES,[1] BY CLASSES

JULY 1940 THROUGH JUNE 1943

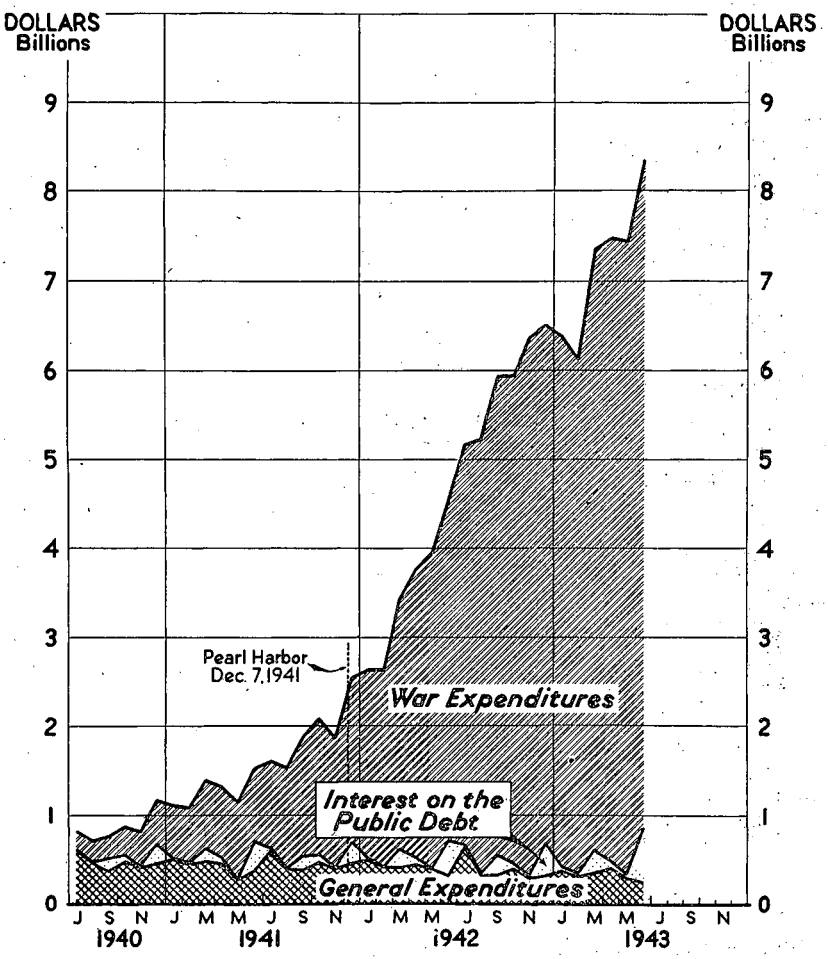


CHART 4.

[1] Excludes statutory debt retirements.

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Monthly expenditures, fiscal years 1941 through 1943

[In millions of dollars. On basis of daily Treasury statements, see p. 459.]

Month and fiscal year	War expenditures	Other Federal expenditures [1] except public debt	Public debt		Total expenditures
			Interest	Statutory retirements	
1940—July	199	599	20	12	831
August	223	464	20	3	708
September	241	369	148	2	760
October	311	485	73	1	870
November	393	413	11	1	818
December	495	458	219	15	1,187
1941—January	589	496	25	7	1,118
February	610	445	21	2	1,077
March	769	480	150	2	1,401
April	782	460	73	1	1,316
May	857	272	12	1	1,142
June	832	357	339	17	1,546
Fiscal year 1941	6,301	5,299	1,111	64	12,775
July	969	604	25	3	1,600
August	1,131	390	9	34	1,564
September	1,330	375	169	8	1,882
October	1,537	471	75	7	2,089
November	1,448	394	15	3	1,860
December	1,850	459	232	16	2,557
1942—January	2,104	492	32	3	2,631
February	2,208	409	12	1	2,630
March	2,809	407	205	15	3,436
April	3,238	439	77	2	3,755
May	3,560	375	19	2	3,955
June	3,829	311	390	1	4,531
Fiscal year 1942	26,011	5,125	1,260	95	32,491
July	4,498	628	35	2	5,162
August	4,884	324	7	(*)	5,215
September	5,384	322	224	(*)	5,931
October	5,481	386	70	(*)	5,937
November	6,042	293	28	(*)	6,363
December	5,825	322	353	1	6,501
1943—January	5,947	372	54	(*)	6,372
February	5,770	314	35	(*)	6,119
March	6,744	348	262	(*)	7,354
April	6,974	404	89	(*)	7,466
May	7,092	301	42	(*)	7,435
June	7,469	248	609	----------	8,327
Fiscal year 1943	72,109	4,262	1,808	3	78,182
Total, fiscal years 1941 through 1943	104,421	14,686	4,179	162	123,449

NOTE.—Figures are rounded to nearest million and will not necessarily add to totals.

*Less than $500,000.

[1] Includes operations under revolving funds and transfers to trust accounts.

War expenditures

The figures under the caption "War expenditures" in the preceding summary tables and in most of the other tables in this report include the entire expenditures of the following departments and agencies: War Department (except for rivers and harbors, and flood control), Navy Department, United States Maritime Commission, War Shipping Administration, Office for Emergency Management and certain

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other agencies in the Executive Office of the President, and Smaller War Plants Corporation (to extent of appropriation for capital stock). They also include certain expenditures of the following departments and agencies which have, in addition to the expenditures for their regular activities, some expenditures classified under the heads of war activities: Department of Labor, Department of the Interior, Department of Agriculture (principally lend-lease), Treasury Department (principally lend-lease), National Housing Agency, Federal Works Agency, Federal Security Agency, Commerce Department, Selective Service (administrative expenses), Panama Canal, Department of Justice, and certain agencies in the Executive Office of the President.

Expenditures of the above agencies include amounts disbursed for materials, goods, and services transferred to other countries in accordance with the provisions of the Defense Aid Act of 1941 and the Military Establishment Appropriation Acts and Naval Appropriation Acts as amended. No comprehensive breakdown of the figures in these tables to show the amount expended for lend-lease items is available in the Treasury records. Data on lend-lease aid are set forth in reports of the Lend-Lease Administration.

The figures on war expenditures embrace expenses of all operations including training of personnel of the armed forces, transportation, travel, pay, subsistence, maintenance, and many other items. Excluded from the figures on war expenditures, however, are expenditures of the Reconstruction Finance Corporation and its subsidiaries (see table on page 28). Excluded also are some outlays which had the furtherance of defense or of the war effort as an objective but were made from funds which supplemented the regular appropriations of such civil departments and agencies as the Tennessee Valley Authority, the Panama Canal, the Federal Security Agency, and the Federal Works Agency. Excluded also are expenditures of other agencies whose activities have been greatly expanded as a direct result of the war. The expenditures for such activities are made from general appropriations and they cannot accordingly be classified as a part of the war program.

The growth in war production in relation to the growth of total war expenditures is shown roughly by the comparison in Chart 5 of expenditures by the three agencies listed above whose activities include the procurement of the principal weapons of war (War and Navy Departments and the Maritime Commission) with the War Production Board's index of production of airplanes, ships, tanks, guns, ammunition, and all industrial equipment (excluding construction of industrial facilities). A monthly summary of war expenditures appears in the following table.

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Monthly expenditures for war activities by specified agencies, fiscal years 1941 through 1943

[In millions of dollars. On basis of daily Treasury statements, see p. 459]

Month and fiscal year	War Department	Navy Department	U. S. Maritime Commission	Subtotal	Other agencies	Total
1940—July	79	102	8	189	9	199
August	91	111	11	214	9	223
September	82	140	6	228	13	241
October	137	154	10	301	11	311
November	206	173	3	381	12	393
December	290	184	* 3	471	24	495
1941—January	350	223	* 4	570	19	589
February	408	181	* 8	581	29	610
March	548	196	3	747	22	769
April	522	233	4	759	24	782
May	465	352	8	826	32	857
June	500	263	14	776	56	832
Fiscal year 1941	3,678	2,313	51	6,042	259	6,301
July	516	362	41	919	50	969
August	598	441	* 6	1,032	99	1,131
September	746	424	46	1,216	114	1,330
October	834	497	44	1,375	162	1,537
November	771	493	57	1,320	128	1,448
December	1,072	545	69	1,686	165	1,850
1942—January	1,282	575	86	1,942	162	2,104
February	1,369	581	95	2,045	163	2,208
March	1,432	946	121	2,499	309	2,809
April	1,594	1,101	98	2,793	445	3,238
May	1,850	1,307	130	3,287	272	3,560
June	2,007	1,309	150	3,465	363	3,829
Fiscal year 1942	14,070	8,580	929	23,579	2,432	26,011
July	2,861	1,103	184	4,148	350	4,498
August	2,875	1,376	211	4,462	423	4,884
September	3,519	1,294	141	4,953	431	5,384
October	3,417	1,596	46	5,060	421	5,481
November	3,538	1,478	274	5,290	751	6,042
December	3,770	1,380	275	5,424	401	5,825
1943—January	4,053	1,274	331	5,658	289	5,947
February	3,239	2,002	223	5,465	305	5,770
March	3,985	2,053	285	6,324	420	6,744
April	3,727	2,102	248	6,076	898	6,974
May	3,857	2,251	243	6,350	741	7,092
June	3,424	2,980	315	6,719	750	7,469
Fiscal year 1943	42,265	20,888	2,776	65,929	6,180	72,109
Total, fiscal years 1941 through 1943	60,013	31,781	3,756	95,550	8,871	104,421

NOTE.—Figures are rounded to nearest million and will not necessarily add to totals.

* Excess of credits (deduct).

The expenditures for war purposes shown in the preceding tables are compared with the appropriations and contract authorizations for war purposes in the table on page 28. The lag between appropriations and contract authorizations on the one hand and expenditures on the other is due to the necessity for planning well in advance to insure adequate procurement of supplies and coordination and execution of production operations.

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WAR EXPENDITURES COMPARED MONTHLY WITH MUNITIONS PRODUCTION, JULY 1940 THROUGH JUNE 1943

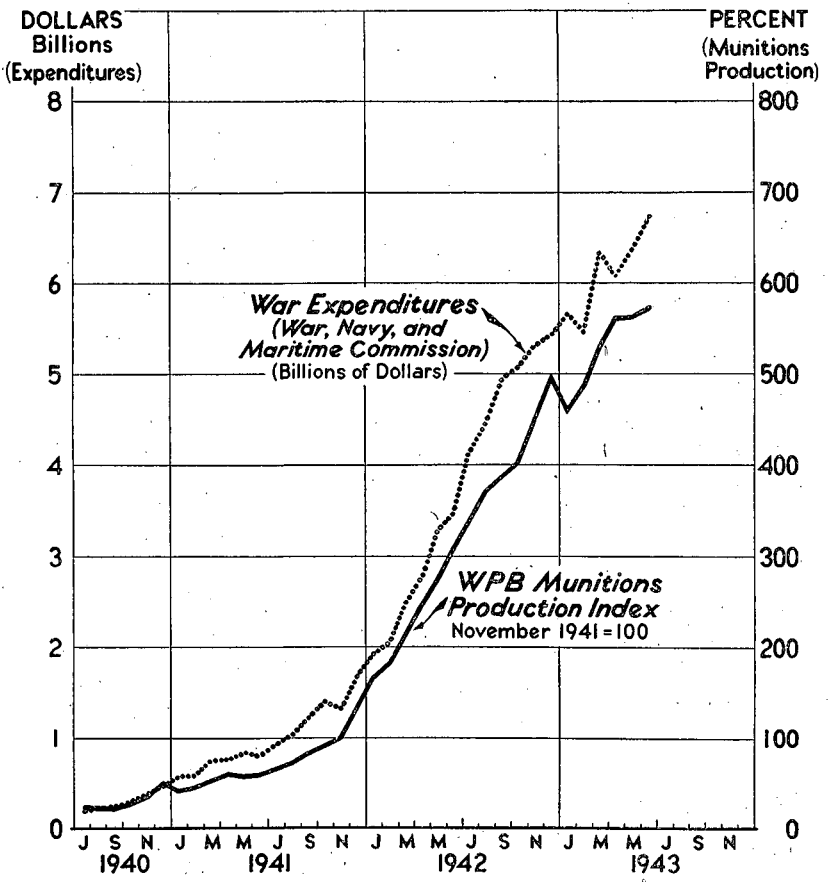


CHART 5.

NOTE.—War Production Board munitions production index includes airplanes, ships, tanks, guns, ammunition, and all industrial equipment, but not construction of industrial facilities.

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War expenditures, appropriations, and contract authorizations, July 1, 1940, through June 30, 1943 [1]

[In billions of dollars]

Organization	War expenditures	War appropriations	War contract authorizations (net)[2]	Total war appropriations and contract authorizations approved
War Department	60.0	132.6	----------	132.6
Navy Department	31.8	76.8	16.9	93.6
U. S. Maritime Commission	3.8	9.7	2.1	11.8
War Shipping Administration	1.2	3.1	----------	3.1
Other	7.6	18.8	.7	19.5
Total	104.4	241.0	19.7	260.7

NOTE.—Figures are rounded and will not necessarily add to totals.

[1] This summary does not include amounts of appropriation bills pending on June 30, 1943, which were enacted in the fiscal year 1944. Otherwise this table agrees with detailed table of war activities shown on p. 542 of this report.

[2] For which appropriations have not yet been made.

The figures above do not of course include the Reconstruction Finance Corporation and its subsidiary corporations. According to reports made by the Corporation, its commitments amounted to $23.8 billions between July 1, 1940, and June 30, 1943, of which $3.3 billions have been withdrawn and canceled.

The following summary shows, by fiscal years, disbursements and receipts of the Reconstruction Finance Corporation and its subsidiaries in connection with the war program.

War disbursements and receipts of the Reconstruction Finance Corporation and its subsidiaries

[In millions of dollars. On basis of reports received by the Treasury]

	1941		1942		1943		Total	
	Disbursements	Receipts[1]	Disbursements	Receipts[1]	Disbursements	Receipts[1]	Disbursements	Receipts[1]
Reconstruction Finance Corporation's subsidiaries:								
Defense Plant Corporation	147	1	1,211	146	3,431	1,366	4,789	1,512
Defense Supplies Corporation	5	(*)	360	43	956	522	1,321	565
Metals Reserve Company	125	37	371	156	644	386	1,140	579
Rubber Reserve Company	51	----------	258	83	194	220	503	303
U. S. Commercial Company	----------	----------	(*)	(*)	71	11	71	11
The RFC Mortgage Company	----------	----------	----------	----------	34	3	34	3
Reconstruction Finance Corporation (direct):								
Loan to Great Britain and Northern Ireland	----------	----------	390	14	----------	25	390	39
Loan—Defense Homes Corporation[2]	----------	----------	11	----------	33	(*)	44	(*)
Stock—War Damage Corporation	----------	----------	----------	----------	1	----------	1	----------
All other loans	72	7	158	64	340	195	570	265
Total	398	45	2,760	506	5,704	2,728	8,863	3,278

NOTE.—Figures are rounded to nearest million and will not necessarily add to totals.

*Less than $500,000.

[1] Rents, repayments and sales. Does not include profits on sales.

[2] Transferred to the National Housing Agency on Sept. 1, 1942.

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General expenditures

General expenditures during the year represented only a small portion of the total Federal Budget. As has been noted earlier, they amounted to $4.3 billions. Interest on the public debt, together with statutory retirements, amounted to an additional $1.8 billions. The sum of these figures—$6.1 billions—is to be compared with a total expenditure in 1943 of $78.2 billions.

As was shown in the table on page 22, expenditures for carrying on the regular operations of the Government, other than interest on and statutory retirements of the public debt, declined $864 millions from those of 1942. The largest decrease, amounting to $816 millions, was in expenditures for relief and work relief. The decline in relief and work relief expenditures reflected liquidation of the Work Projects Administration and of the Civilian Conservation Corps, transfer of the National Youth Administration to war activities, and abolishment of the food stamp program for supplying surplus foodstuffs to persons on relief.

Expenditures for aid to agriculture decreased from $1,225 millions in 1942 to $1,163 millions in 1943.

The decline of $137 millions in the public works expenditures reflected deferment, until after the war, of projects other than those related to military needs. Expenditures by the Tennessee Valley Authority, included in the table on page 22 under the classification "Other," amounted to $127 millions in 1942 and $111 millions in 1943.

Offsetting the foregoing decreases, there was an increase of $47 millions in expenditures for veterans' pensions and benefits. This was accounted for mainly by a transfer of $30 millions to the national service life insurance trust fund as a reserve for death claims becoming payable as a result of military and naval service in the present war and expenditures for salaries of new employees required in connection with the administration of the national service life insurance program.

There was also an increase in expenditures for the social security program in 1943, due principally to an increase in the amount of the railroad retirement appropriated account transferred to trust accounts.

DEFICIT IN GENERAL AND SPECIAL ACCOUNTS

In the fiscal year 1943, expenditures exceeded receipts in general and special accounts by $55,897 millions. This sum represented the net deficit exclusive of statutory debt retirements. The derivation of the deficit in 1942 and 1943 follows:

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Deficit in general and special accounts, fiscal years 1942 and 1943
[In millions of dollars. On basis of daily Treasury statements, see p. 459]

	1942	1943
Receipts, total	13,668	23,385
Deduct net appropriation to Federal old-age and survivors insurance trust fund	869	1,103
Net receipts	12,799	22,282
Expenditures excluding statutory debt retirements	32,397	78,179
Net budgetary deficit	19,598	55,897

RECEIPTS AND EXPENDITURES IN TRUST ACCOUNTS AND CHECKING ACCOUNTS OF GOVERNMENT CORPORATIONS AND CREDIT AGENCIES

In addition to receipts and expenditures under general and special accounts, discussed above, certain receipts and expenditures of the Government are reported on the Daily Statement of the United States Treasury under the title of "Trust accounts, increment on gold, etc." Neither the receipts nor the expenditures of these accounts affect the Federal Budget except to the extent that appropriations are made to these accounts from the General Fund. Such appropriations appear as expenditures under general and special accounts, and as receipts under trust accounts, increment on gold, etc.[1] The principal trust accounts dispose of the excess of their receipts over expenditures by investing such excess in Government securities, as provided by statute. The corporations and credit agencies maintaining checking accounts with the Treasurer of the United States generally apply the cash balances not needed for operations to the purchase of Government securities for investment or to debt or capital stock retirement. A summary of receipts and expenditures in trust accounts, etc., for the fiscal years 1942 and 1943 follows:

Summary of receipts and expenditures in trust accounts, etc., 1942 and 1943
[In millions of dollars. On basis of daily Treasury statements, see p. 459]

	1942	1943	Increase or decrease (−)
Receipts:			
Federal old-age and survivors insurance trust fund, unemployment trust fund, and railroad retirement account	2,327	2,810	482
Other trust funds and accounts	850	1,117	267
Increment resulting from reduction in weight of gold dollar	(*)	(*)	(*)
Seigniorage	14		−14
Total receipts	3,191	3,926	735
Expenditures:			
Federal old-age and survivors insurance trust fund, unemployment trust fund, and railroad retirement account	2,318	2,806	487
Other trust funds and accounts	753	788	34
Charges against increment on gold	(*)	(*)	(*)
Subtotal	3,072	3,594	522
Transactions in checking accounts of Government agencies, etc. (net)[1]	3,625	2,194	−1,431
Total expenditures	6,696	5,787	−909
Excess of expenditures	3,506	1,861	−1,645

NOTE.—Figures are rounded to nearest million and will not necessarily add to totals.

* Less than $500,000.

[1] Includes sales and redemptions of market obligations.

[1] However, net appropriations to the Federal old-age and survivors insurance trust fund appear as deductions from receipts under general and special accounts.

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A summary of receipts and expenditures in trust accounts, checking accounts of Government corporations and credit agencies, increment on gold, etc., for the years 1932 through 1943 will be found in table 1 on page 464, and details by months for the fiscal year 1943 in tables 3 and 4 on pages 474 and 494.

Because Government corporations and credit agencies maintain checking accounts with the Treasurer of the United States, the transactions shown in the preceding table and in other tables in this report represent their net operations. The tables, therefore, do not furnish sufficient data for a detailed analysis of the financial transactions of these agencies. Arrangements have been made with these corporations, however, whereby certain data are submitted to the Treasury so that the Treasury's records can reflect the operations of these corporations and agencies. These data have been combined and appear in the tables beginning on page 706, showing sources and uses of funds for the fiscal year 1943 and from the date of inception of the various corporations to June 30, 1943. The figures are not on the basis of the daily Treasury statement and, therefore, do not agree exactly with the figures shown in other tables in this report. A comparative summary of these data for the fiscal years 1942 and 1943 appears in the following table.

Sources and uses of funds of certain Government corporations and credit agencies, fiscal years 1942 and 1943

[In millions of dollars. On basis of reports received from corporations and agencies]

	1942	1943
SOURCES OF FUNDS		
Appropriations from General Fund of the Treasury	32	179
Allocations, rediscounts, and loans from other Government corporations (net)	1,653	2,923
Sale of obligations to the Treasury (net)	3,226	3,555
Sale of obligations in the market (net)	—1,004	—635
Sale of stock to other agencies	8	2
Sale of property acquired	1,389	3,779
Repayment of loans	1,387	1,656
Interest, dividends, assessments, and property income	386	406
Other receipts	244	1,575
Total, sources of funds	7,322	13,440
USES OF FUNDS		
Expenses:		
Administrative	53	52
Nonadministrative	27	40
Purchase and improvement of property owned	2,976	6,885
Loans	1,911	1,398
Retirement of obligations issued in exchange for mortgages	300	29
Investments (net)	45	47
Allocations, rediscounts, and loans to other Government corporations (net)	1,713	2,769
Interest and dividends paid	152	148
Other expenditures	146	700
Total, uses of funds	7,324	12,068

NOTE.—Figures are rounded to nearest million and will not necessarily add to totals.

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FINANCING THE NET BUDGETARY DEFICIT AND OTHER REQUIREMENTS

The Treasury's financing program during the fiscal year had to provide for the net budgetary deficit shown on page 30 and for the funds needed to meet the requirements of Government corporations and credit agencies and to provide for an increase in the General Fund balance. The table that follows summarizes the total cash requirements, including the General Fund balance increase, and the net amount of new money raised during the year.

	Amount (in millions of dollars)	
Requirements:		
Net budgetary deficit, excluding statutory debt retirements		55,897
Excess of expenditures in—		
(*a*) Checking accounts of Government corporations and credit agencies:		
General	1,500	
Sales and redemptions of obligations in the market (net)	694	
(*b*) Trust and other accounts	[a] 333	
Subtotal	1,861	
Increase in General Fund balance	6,515	
		8,376
Total requirements		64,274
Means of financing:		
Public debt receipts (net) from—		
(*a*) Public issues:		
Treasury bills	9,340	
Treasury certificates of indebtedness	13,474	
Treasury notes	2,480	
Treasury notes, tax series and savings series	4,481	
Treasury bonds	19,489	
United States savings bonds	[1] 11,068	
Other issues	956	
		61,288
(*b*) Special issues to trust funds, etc.		2,986
Total		64,274

NOTE.—Figures are rounded to nearest million and will not necessarily add to totals.

[a] Excess of receipts (deduct).
[1] Includes accrued discount.

A distribution of the $64,274 millions net borrowing during the fiscal year by months and a comparison with the amounts raised in corresponding months of the previous fiscal year appear in the table that follows.

Net amounts borrowed, fiscal years 1942 and 1943

[In millions of dollars. On basis of daily Treasury statements, see p. 459]

Month	1942	1943	Month	1942	1943
July	551	4,714	February	2,369	2,954
August	1,408	4,549	March	39	1,483
September	425	4,798	April	2,542	14,342
October	2,238	6,420	May	3,609	6,064
November	1,456	3,212	June	3,852	784
December	2,898	12,054			
January	2,073	2,899	Total	23,461	64,274

NOTE.—Figures are rounded to nearest million and will not necessarily add to totals.

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THE PUBLIC DEBT

Summary of financing operations

In the process of borrowing $64,274 millions, the Treasury issued during the fiscal year 1943 a gross amount of $122,632 millions of public debt securities. This amount was so far in excess of amounts raised in any previous comparable period in Treasury operations that it was necessary to make changes in the mechanics of the financing operations from time to time during the fiscal year.

As a result, the year's operations were divided roughly into three financing periods. The first period extended from July 1, 1942, through November 30, 1942, during which time the Treasury made eight offerings of securities to the market in the usual pre-war manner. Special selling efforts during the period were confined to continuous offerings of savings bonds and Treasury notes, tax series. The second period extended from December 1, 1942, through March 31, 1943. During this period the Treasury conducted the Victory Fund Drive, later known as the First War Loan, and made an interim offering of certificates of indebtedness. The third period covered the remainder of the fiscal year, during which time the Treasury conducted the Second War Loan and offered certificates of indebtedness to refund securities maturing on May 1, 1943.

Gross receipts from the sale of public debt obligations during each of the three periods, gross expenditures for the redemption and retirement of public debt items, and the net amount of new money obtained in each period are shown by types of public debt securities in the table that follows.

Public debt receipts and expenditures during the three financing periods of the fiscal year 1943

[In billions of dollars. On basis of daily Treasury statements, see p. 459]

Issues	July 1–Nov. 30, 1942			Dec. 1, 1942–Mar. 31, 1943		
	Receipts	Expenditures	Net receipts or expenditures (−)	Receipts	Expenditures	Net receipts or expenditures (−)
Public issues:						
Cash:						
Treasury bills	8.7	5.5	3.2	12.0	8.5	3.5
Certificates of indebtedness	5.2	1.5	3.7	6.0	1.6	4.4
Certificates of indebtedness, special series	1.8	1.4	.4	15.3	15.7	−.4
Treasury notes	3.7	.3	3.4		.3	−.3
Treasury notes, tax series and savings series	3.4	.8	2.7	2.7	2.0	.6
Treasury bonds	5.3	(*)	5.3	5.9	(*)	5.9
United States savings bonds (including accrued discount)	4.1	.2	3.9	4.1	.3	3.8
All other	.3	(*)	.2	.8	.2	.6
Exchanges	.1	.1				
Special issues to trust funds, etc	1.1	.2	.9	1.3	.1	1.2
Total	33.7	10.0	23.7	48.2	28.8	19.4

*Less than $50 millions.

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Public debt receipts and expenditures during the three financing periods of the fiscal year 1943—Continued

[In billions of dollars.]

Issues	Apr. 1–June 30, 1943			Total fiscal year 1943		
	Receipts	Expenditures	Net receipts or expenditures (−)	Receipts	Expenditures	Net receipts or expenditures (−)
Public issues:						
Cash:						
Treasury bills	11.9	9.2	2.6	32.6	23.3	9.3
Certificates of indebtedness	5.5	.1	5.4	16.7	3.2	13.5
Certificates of indebtedness, special series	.8	.8	----	17.9	17.9	----
Treasury notes	----	.6	−.6	3.7	1.3	2.5
Treasury notes, tax series and savings series	2.6	1.4	1.1	8.7	4.2	4.5
Treasury bonds	8.7	.4	8.3	19.9	.4	19.5
United States savings bonds (including accrued discount)	3.7	.3	3.4	11.9	.8	11.1
All other	.3	.2	.1	1.4	.4	1.0
Exchanges	1.4	1.4	----	1.4	1.4	----
Special issues to trust funds, etc	5.9	5.0	.9	8.3	5.3	3.0
Total	40.7	19.6	21.2	122.6	58.4	64.3

NOTE.—Figures are rounded to nearest tenth of a billion and will not necessarily add to totals.

A discussion of the Treasury's financing operations during each of the three financing periods shown in the foregoing table follows.

First period—July 1 through November 30, 1942.—The Treasury's principal offerings of marketable securities during the first period of the year's financing program consisted of three bond issues, two note issues, and two issues of certificates of indebtedness. All of these issues were for new money. In addition an offering of certificates of indebtedness was made primarily to refund a maturing issue of certificates.

Included among the bond offerings was the second offering in August 1942 of 2½ percent Treasury bonds of 1962–67, the so-called "tap" issue which had first been offered in May 1942. This issue was not open to commercial banks and it was specified that they would not be permitted to own it until a period of ten years should have elapsed from the date of its issue. A new provision was introduced with this offering which, in effect, allowed optional redemption of the bonds at par and accrued interest upon the death of the owner if the bonds were used to pay Federal estate taxes. This provision applied retroactively to the bonds of the same description that had been issued in May 1942 and it has been included in all subsequent issues of 2½ percent bonds. Additional details with respect to this provision are contained in the official circular covering this issue which appears as exhibit 3 on page 291. Beginning February 1, 1943, these bonds, which had previously been issued only in registered form, were made available in coupon form also.

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A summary of public debt issues and retirements during the first financing period of the fiscal year appears in the table that follows.

Public debt receipts and expenditures during the first financing period, July 1 through Nov. 30, 1942

[In thousands of dollars. On basis of daily Treasury statements, see p. 459]

Issues	Receipts	Expenditures	Net receipts or expenditures (−)
Public issues:			
Cash:			
Treasury bills	8,735,316	5,535,260	3,200,056
Certificates of indebtedness	5,150,313	1,498,367	3,651,946
Certificates of indebtedness, special series	1,818,000	1,396,000	422,000
Treasury notes	3,748,628	343,212	3,405,416
Treasury notes, tax series	3,438,403		
Cash redemptions		54,718	2,688,024
Received for taxes		695,661	
Treasury bonds	5,296,164	1,866	5,294,298
United States savings bonds:			
Issue price	4,022,374	175,211	3,890,701
Accrued discount	43,538		
United States savings stamps	[1] 251,644	35,840	215,805
Depositary bonds	31,695	35	31,660
Adjusted service bonds	[2] 349	3,967	−3,618
All other		5,108	−5,108
Total cash	32,530,424	9,745,247	22,791,177
Exchanges	68,313	68,313	
Total cash and exchanges	32,604,737	9,813,560	22,791,177
Special issues to trust funds, etc	1,078,098	175,970	902,128
Grand total	33,682,835	9,989,530	23,693,305

NOTE.—Figures are rounded to nearest thousand and will not necessarily add to totals.

[1] Includes $194,010,156.70 deposited by Postal Savings System to cover outstanding postal savings stamps, liability for which was transferred from the Postal Savings System to the Treasury as a public debt obligation.

[2] Issued in payment of amounts due on adjusted service certificates.

Further details of the $14 billions of market offerings of Treasury bonds, notes, and certificates of indebtedness during the first financing period of the year appear in the table below. Discussions of Treasury bill offerings and of sales of United States savings bonds and sales of Treasury notes, tax series, through which substantial amounts of new money were raised during the period, appear on pages 41, 55, and 56 of this report.

Market offerings of Treasury bonds, Treasury notes, and certificates of indebtedness between July 1 and Nov. 30, 1942

Date issued	Issue	Amount
July 15, 1942	2% Treasury bonds of 1949–51, due Dec. 15, 1951: For cash	$2,097,617,600
Aug. 3, 1942	2½% Treasury bonds of 1962–67, due June 15, 1967 (additional issue of the bonds of May 5, 1942): For cash	1,235,966,500
Aug. 15, 1942	⅞% Certificates of indebtedness, Series B–1943, due Aug. 1, 1943: For cash	1,609,332,000
Sept. 21, 1942	0.65% Certificates of indebtedness, Series C–1943, due May 1, 1943: For cash	1,505,727,000
Sept. 25, 1942	1¼% Treasury notes, Series C–1945, due Mar. 15, 1945: For cash	1,606,204,500
Oct. 15, 1942	1½% Treasury notes, Series B–1946, due Dec. 15, 1946 (additional issue of the bonds of June 5, 1942): For cash	2,142,390,600
Oct. 19, 1942	2% Treasury bonds of 1950–52, due Mar. 15, 1952: For cash	1,962,688,300
Nov. 2, 1942	⅞% Certificates of indebtedness, Series D–1943, due Nov. 1, 1943: For cash	2,035,254,000
	Total	14,195,180,500

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Second period—December 1, 1942, through March 31, 1943.—It became apparent during the first part of the fiscal year that in order to obtain a greater proportion of the necessary funds from sources other than commercial banks a change in the method of financing was necessary. In November 1942, therefore, the Treasury made plans for a series of major drives for funds. The first of these, the Victory Fund Drive, later known as the First War Loan, was conducted between November 30 and December 23, 1942. The goal of this campaign was to raise approximately $9 billions through the sale of three new issues of marketable securities, all dated December 1, 1942, and through the sale of Treasury bills, three series of savings bonds, and two series of tax savings notes. A list of the issues offered follows.

(1) ⅞ percent certificates of indebtedness due December 1, 1943;
(2) 1¾ percent Treasury bonds due June 15, 1948;
(3) 2½ percent Treasury bonds of December 15, 1963–68, which commercial banks were not permitted to own until ten years after issue date;
(4) Three-months' Treasury bills;
(5) Series E savings bonds;
(6) Series F and G savings bonds; and
(7) Series A and C Treasury notes, tax series.

Commercial banks were permitted to subscribe to the 1¾ percent bonds and the ⅞ percent certificates of indebtedness, but their subscriptions were limited to approximately $2 billions of each issue.

Sales in the First War Loan to all investors were $12,947 millions. Sales to investors other than commercial banks amounted to $7,860 millions, compared with the goal of $4,000 millions for such investors.

A table comparing sales by investor classes with the goals follows. More detailed data on sales appear in the table on page 601.

Sales of Government securities during the First War Loan compared with goals, by classes of investors

[Dollars in millions. On basis of reports of sales]

Class of investor	Goal	Sales	Percentage distribution of sales
Nonbank investors:			
Individuals, partnerships, and personal trust accounts		$1,593	12.3
Insurance companies		1,699	13.1
Mutual savings banks		620	4.8
State and local governments	$4,000	200	1.5
Dealers and brokers		[1] 769	5.9
Other corporations and associations		2,711	20.9
U. S. Government agencies and trust funds		270	2.1
Total nonbank investors	4,000	7,860	60.7
Commercial banks	[2] 5,000	5,087	39.3
Total all investors	9,000	12,947	100.0

NOTE.—Figures are rounded and will not necessarily add to totals.

[1] Excludes sales earmarked for other nonbank investors; these have been combined with sales to "other corporations and associations."
[2] Amount set aside for commercial banks

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The First War Loan Drive was carried on jointly, in each of the twelve Federal Reserve districts, by the Victory Fund Committees which promoted sales of securities other than Series E savings bonds, and by the War Savings Staff which promoted sales of the E bonds. Each Victory Fund Committee had as its chairman the President of the Federal Reserve Bank of its district. An executive committee and regional subcommittees served under each district Victory Fund Committee. These committees, established in May 1942, had 44,000 volunteer workers during the drive. They solicited subscriptions from individuals, corporations, savings banks, insurance companies, institutions, trusts, and estates throughout the country. The Secretary of the Treasury acted as chairman of a committee of the Federal Reserve Bank Presidents, and the Chairman of the Board of Governors of the Federal Reserve System acted as liaison officer between the Treasury and the Federal Reserve Banks.

The only other new security offered during the remainder of the second period of the year's financing program was an issue of ⅞ percent Treasury certificates of indebtedness dated February 1, 1943. About three-fourths of the proceeds of this offering was applied to the redemption, on February 1, of $1,588 millions of maturing ⅝ percent certificates of indebtedness. The balance of the funds raised constituted new money.

A summary of public debt issues and retirements during the second financing period of the fiscal year appears in the table that follows.

Public debt receipts and expenditures during the second financing period, Dec. 1, 1942, through Mar. 31, 1943

[In thousands of dollars. On basis of daily Treasury statements, see p. 459]

Issues	Receipts	Expenditures	Net receipts or expenditures (—)
Public issues:			
Cash:			
Treasury bills	12,047,341	8,523,508	3,523,833
Certificates of indebtedness	6,010,897	1,592,176	4,418,721
Certificates of indebtedness, special series	15,288,000	15,710,000	—422,000
Treasury notes		302,956	—302,956
Treasury notes, tax series	2,668,596		
Cash redemptions		20,088	643,084
Received for taxes		2,005,424	
Treasury bonds	5,892,770	942	5,891,828
United States savings bonds:			
Issue price	4,086,086	325,188	3,811,812
Accrued discount	50,914		
United States savings stamps	[1] 215,233	204,821	10,411
Depositary bonds	51,463	15	51,448
Adjusted service bonds	[2] 203	1,872	—1,669
All other	557,248	7,404	549,843
Total cash	46,868,750	28,694,395	18,174,356
Exchanges			
Total cash and exchanges	46,868,750	28,694,395	18,174,356
Special issues to trust funds, etc	1,336,630	120,081	1,216,549
Grand total	48,205,380	28,814,476	19,390,905

NOTE.—Figures are rounded to nearest thousand and will not necessarily add to totals.

[1] Includes $748,722.20 deposited by Postal Savings System to cover outstanding postal savings stamps, liability for which was transferred from the Postal Savings System to the Treasury as a public debt obligation.

[2] Issued in payment of amounts due on adjusted service certificates.

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Further details with respect to the market offerings of Treasury bonds and certificates of indebtedness during the second financing period of the year appear in the table below. Discussions of Treasury bill offerings and of the sales of savings bonds and Treasury notes, tax series, through which substantial amounts of new money were raised during this period, appear on pages 41, 55, and 56 of this report.

Market offerings of Treasury bonds and certificates of indebtedness, Dec. 1, 1942 through Mar. 31, 1943

Date issued	Issue	Amount
Dec. 1, 1942	7/8% Certificates of indebtedness, Series E–1943, due Dec. 1, 1943: For cash	$3,799,736,000
Dec. 1, 1942	1¼% Treasury bonds of 1948, due June 15, 1948: For cash	3,061,856,000
Dec. 1, 1942	2½% Treasury bonds of 1963-68, due Dec. 15, 1968: For cash	2,830,914,000
Feb. 1, 1943	7/8% Certificates of indebtedness, Series A–1944, due Feb. 1, 1944: For cash	2,211,161,000
	Total	11,903,667,000

Third period—April 1 through June 30, 1943.—The third period of the financing program was opened by the Second War Loan which was conducted between April 12 and May 1, 1943. The Second War Loan was directed by a new marketing organization, the Treasury War Finance Committee. This Committee, which was set up in March 1943, integrated the efforts of the War Savings Staffs and the Victory Fund Committees in increasing and broadening the sale of Government securities.

The Presidents of the twelve Federal Reserve Banks were in charge of district War Finance Committees, composed of representatives of the War Savings Staffs and of the Victory Fund Committees. More than 1,000,000 volunteers took part in this drive.

The goal for the Second War Loan was $13,000 millions and sales to investors included in the goal amounted to $17,620 millions. Purchases by dealers and brokers and by United States Government agencies and trust funds, amounting to $935 millions, were not included in the goal. However, including these latter purchases, total sales in the Second War Loan were $18,555 millions, compared with sales of $12,947 millions in the First War Loan.

It was the aim of the Second War Loan drive to increase still further the sale of Government securities to nonbank investors. In this aim the Second War Loan was successful. Purchases by nonbank investors (including sales to investors not included in the goal for the Second War Loan) were $13,476 millions as compared with $7,860 millions in the First War Loan. Since sales to commercial banks were about the same in both drives, the entire increase in the amount raised in the Second War Loan over the amount raised in the First War Loan consisted of sales to nonbank investors.

In general, the financing in the April drive followed the pattern of the December program. Three new marketable issues, all dated April 15, 1943, were offered and weekly increases in the outstanding amount

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of Treasury bills were continued. The sale of savings bonds, Series E, F, and G, was vigorously promoted.

A list of the securities offered follows.

(1) ⅞ percent certificates of indebtedness due April 1, 1944;
(2) 2 percent Treasury bonds of September 15, 1950–52;
(3) 2½ percent Treasury bonds of June 15, 1964–69, which commercial banks were not permitted to own until 10 years after issue date;
(4) Three-months' Treasury bills;
(5) Series E savings bonds;
(6) Series F and G savings bonds; and
(7) Series C Treasury notes, tax series.

For commercial banks, subscriptions to the ⅞ percent certificates were confined to the first three days of the drive, and subscriptions to the 2 percent bonds to three days toward the end of the drive. In each case allotments were limited to approximately $2 billions.

All sales of savings bonds from April 1 through May 8 were credited toward the drive goal, in order to allow sufficient time for the funds to pass through the accounts of thousands of issuing agents and into the Federal Reserve Bank accounts. Sales of Series C tax notes from April 1 through May 1 were counted toward the goal. Sales of the Series A tax notes, which had been counted in the First War Loan drive, were excluded.

Total sales of $18,555 millions in the Second War Loan represented nearly 90 percent as much as was obtained in all of the five bond drives in the first World War. Sales classified by investor groups are compared with the Treasury's goals in the following table.

Sales of Government securities during the Second War Loan compared with goals, by classes of investors

[Dollars in millions. On basis of reports of sales]

Class of investor	Goal	Sales	Percentage distribution of sales
Included in the goal:			
Nonbank investors:			
Individuals, partnerships, and personal trust accounts	$2,500	$3,290	17.7
Insurance companies	2,000	2,408	13.0
Mutual savings banks		1,195	6.4
State and local governments	3,500	503	2.7
Other corporations and associations		5,146	27.7
Total nonbank investors included in goal	8,000	12,541	67.6
Commercial banks	[1] 5,000	5,079	27.4
Total sales included in goal	13,000	17,620	95.0
Not included in the goal:			
Dealers and brokers		[2] 544	2.9
U. S. Government agencies and trust funds		391	2.1
Total other investors		935	5.0
Total all investors		18,555	100.0

NOTE.—Figures are rounded and will not necessarily add to totals.

[1] Amount set aside for commercial banks.
[2] Excludes sales earmarked for distribution to other nonbank investors. These sales have been distributed to the appropriate class of investor in this table.

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Sales of securities during the Second War Loan by classes of investors and by issues are compared with the results of the First War Loan on page 601. More than one-half of the securities purchased by individuals, partnerships, and personal trust accounts in the Second War Loan consisted of savings bonds of Series E, F, and G. Purchases of Series E bonds alone accounted for $1,473 millions of the total purchases of $3,290 millions of all securities by individuals, partnerships, and personal trust accounts. Insurance companies and mutual savings banks, on the other hand, placed more than one-half of their total purchases in the 2½ percent bonds. Other corporations and associations concentrated their investments in the certificates of indebtedness and the tax notes.

On April 19, 1943, the Treasury announced the offering of one-year ⅞ percent certificates of indebtedness dated May 1, 1943, in exchange for 0.65 percent Treasury certificates of indebtedness and the ¾ percent Commodity Credit Corporation notes of Series F, both maturing May 1, 1943. Exchanges were made par for par, and cash subscriptions were not received. This exchange operation was not associated with the Second War Loan campaign.

A summary of public debt issues and retirements during the third financing period of the fiscal year follows.

Public debt receipts and expenditures during the third financing period, Apr. 1 through June 30, 1943

[In thousands of dollars. On basis of daily Treasury statements, see p. 459]

Issues	Receipts	Expenditures	Net receipts or expenditures (−)
Public issues:			
Cash:			
Treasury bills	11,864,339	9,248,123	2,616,216
Certificates of indebtedness	5,532,483	129,363	5,403,120
Certificates of indebtedness, special series	805,000	805,000	
Treasury notes		622,874	−622,874
Treasury notes, tax series and savings series	2,583,221		
Cash redemptions		40,083	1,149,818
Received for taxes		1,393,320	
Treasury bonds	8,701,138	397,869	8,303,269
United States savings bonds:			
Issue price	3,680,231	347,925	3,365,466
Accrued discount	33,160		
United States savings stamps	[1] 137,523	150,389	−12,866
Depositary bonds	64,119	15	64,104
Adjusted service bonds	[2] 182	1,500	−1,319
All other	65,730	8,543	57,187
Total cash	33,467,125	13,145,001	20,322,123
Exchanges	1,373,451	1,373,451	
Total cash and exchanges	34,840,576	14,518,452	20,322,123
Special issues to trust funds, etc	5,903,097	5,035,785	867,312
Grand total	40,743,673	19,554,237	21,189,435

NOTE.—Figures are rounded to nearest thousand and will not necessarily add to totals.

[1] Includes $114.70 deposited by Postal Savings System to cover outstanding postal savings stamps, liability for which was transferred from the Postal Savings System to the Treasury as a public debt obligation.
[2] Issued in payment of amounts due on adjusted service certificates.

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Further details with respect to the market offerings of Treasury bonds and certificates of indebtedness during the third financing period of the year appear in the table following. A discussion of other Treasury securities offered during the period appears below under the caption "Securities on continuous sale."

Market offerings of Treasury bonds and certificates of indebtedness Apr. 1 through June 30, 1943

Date issued	Issue	Amount	
Apr. 15, 1943	2% Treasury bonds of 1950–52, due Sept. 15, 1952: For cash		$4,939,261,000
Apr. 15, 1943	2½% Treasury bonds of 1964–69, due June 15, 1969: For cash		3,761,904,000
Apr. 15, 1943	⅞% Certificates of indebtedness, Series B–1944, due Apr. 1, 1944: For cash		5,250,731,000
May 1, 1943	⅞% Certificates of indebtedness, Series C–1944, due May 1, 1944:		
	In exchange for 0.65% certificates of indebtedness, Series C–1943, maturing May 1, 1943	$1,373,451,000	
	In exchange for ¾% Commodity Credit Corporation notes, maturing May 1, 1943	281,752,000	
			1,655,203,000
	Total		15,607,099,000

All official circulars and statements relating to the transactions in new securities issued during the year are included in the exhibits beginning on page 289.

Consolidated security sales organization.—It was announced on June 12, 1943, that a Third War Loan would take place in September. In planning this drive the Secretary stated that, while substantial progress in selling securities to individuals had been made in the Second War Loan, it had been decided that the local Victory Fund Committees and War Savings Staffs would be more effective if combined permanently into unified War Finance Committees established on State lines under the direction of a chairman in each State reporting to the War Finance Division of the Treasury. The State committees were placed in charge of future war loan drives, and their purpose was to sell increasing amounts of securities to individuals and to non-bank corporations. They were made responsible also for the continuing sale of war savings bonds through the voluntary payroll allotment and other regular purchase plans.

Securities on continuous sale

The discussion of public debt operations in the preceding paragraphs has been confined to an over-all summary of these operations classified primarily by the financing periods in which they fell. Some of the operations discussed therein were actually part of continuous sales programs. These are discussed in more detail in the paragraphs that follow.

United States savings bonds.—Total sales of savings bonds during the fiscal year 1943 amounted to $11,789 millions issue price. On June

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30, 1943, the current redemption value of United States savings bonds outstanding, including those sold prior to 1943, amounted to $21,256 millions. Sales of these bonds are shown, by series, in the chart on page 43 and in the table following.

Sales of Series E, F, and G savings bonds, fiscal years 1941 through 1943 and by months for the fiscal year 1943

[In millions of dollars. On basis of daily Treasury statements, see p. 459]

Period	Series E	Series F	Series G	Total
By fiscal years:				
1941 [1]	203	67	395	664
1942	3,526	435	2,032	5,993
1943	8,271	758	2,759	11,789
By months:				
1942—July	508	74	319	901
August	454	52	191	697
September	510	61	184	755
October	665	61	210	935
November	542	45	148	735
December	726	66	222	1,014
1943—January	815	77	348	1,240
February	634	48	205	887
March	720	44	180	944
April	1,007	110	353	1,470
May	995	86	254	1,335
June	696	35	144	875

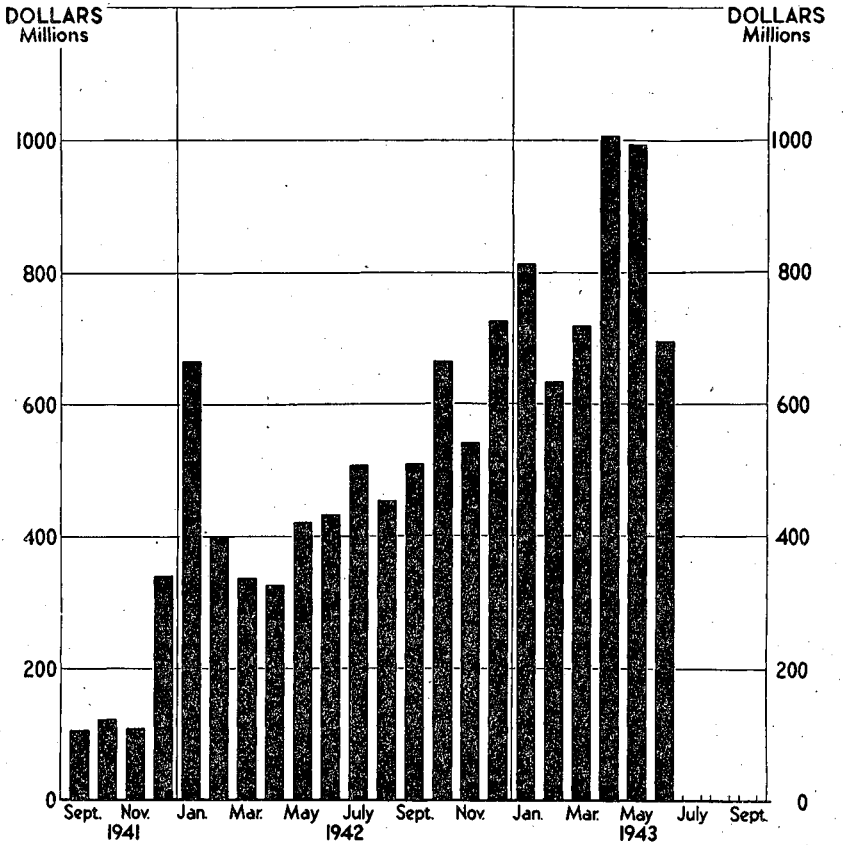
NOTE.—Figures are rounded to nearest million and will not necessarily add to totals. Figures are based on deposits with the Treasurer of the United States. Accruals are not included.

[1] Savings bonds of Series E, F, and G were on sale only during the last two months of the fiscal year 1941.

The dollar volume of sales of each denomination of Series E bonds and the number of bonds of each denomination sold are shown in the table on page 44 for the fiscal years 1941 through 1943 and by months for the fiscal year 1943. Detailed data from March 1935, when savings bonds first went on sale, through June 30, 1943, by months, are shown in the tables beginning on page 603. (On November 30, 1942, the designation of United States war savings bonds was reserved for Series E bonds. See exhibit 29, page 330.)

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SALES OF SERIES E WAR SAVINGS BONDS
MONTHLY SEPTEMBER 1941 THROUGH JUNE 1943



SALES OF SERIES F AND G SAVINGS BONDS
MONTHLY SEPTEMBER 1941 THROUGH JUNE 1943

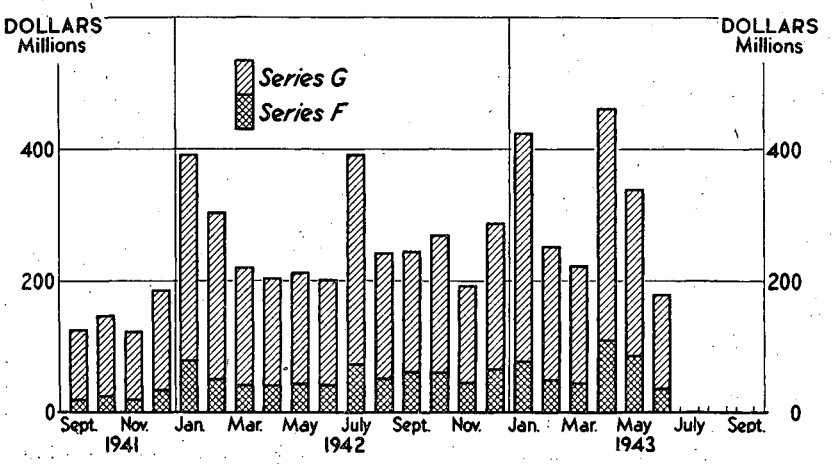


CHART 6.

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Sales of Series E war savings bonds of each denomination, fiscal years 1941 through 1943 and by months for the fiscal year 1943

[Sales by denominations estimated on basis of total deposits as reported by Treasurer of the United States]

Period	Denomination					
	$25	$50	$100	$500	$1,000	Total
	Issue price of bonds sold (in millions)					
By fiscal years:						
1941 [1]	$14	$13	$41	$41	$93	$203
1942	616	342	813	637	1,119	3,526
1943	2,988	1,081	1,714	1,007	1,481	8,271
By months:						
1942—July	162	61	115	68	102	508
August	169	60	101	52	71	454
September	189	67	112	60	81	510
October	253	89	143	77	103	665
November	215	74	116	60	76	542
December	265	99	157	89	116	726
1943—January	271	100	158	101	185	815
February	243	84	120	69	117	634
March	293	99	135	76	117	720
April	303	118	211	149	226	1,007
May	325	126	214	138	192	995
June	299	103	133	67	94	696
	Number of bonds sold (in thousands)					
By fiscal years:						
1941	767	353	552	108	125	1,905
1942	32,832	9,107	10,837	1,698	1,493	55,967
1943	159,369	28,828	22,851	2,686	1,975	215,709
By months:						
1942—July	8,623	1,630	1,527	182	137	12,098
August	9,038	1,611	1,346	138	95	12,228
September	10,096	1,798	1,494	161	108	13,657
October	13,481	2,373	1,900	206	138	18,098
November	11,457	1,982	1,544	161	102	15,245
December	14,136	2,630	2,088	238	155	19,247
1943—January	14,467	2,661	2,105	269	247	19,749
February	12,976	2,232	1,602	184	157	17,151
March	15,653	2,647	1,804	202	155	20,462
April	16,168	3,151	2,809	396	302	22,825
May	17,309	3,370	2,856	369	255	24,160
June	15,965	2,743	1,777	178	125	20,789

NOTE.—Figures are rounded and will not necessarily add to totals.

[1] Savings bonds of Series E, F, and G were on sale only during the last two months of the fiscal year 1941.

Further data on sales of savings bonds by denominations are shown in table 36 on page 611 and in chart 7 on page 45.

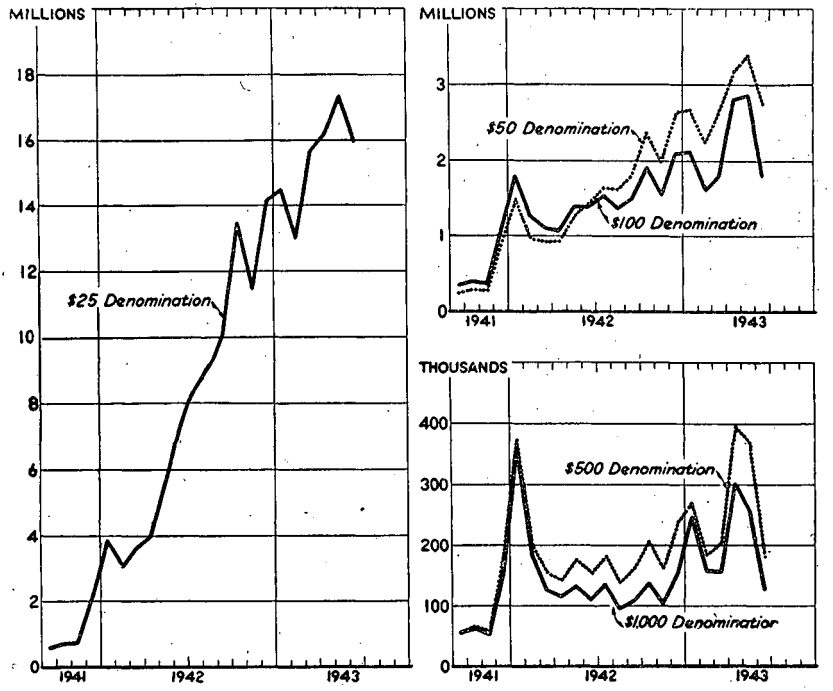
The task of furthering the sale of United States savings bonds during the fiscal year fell largely to the War Savings Staff which was, as previously mentioned, consolidated into the War Finance Division toward the end of the fiscal year. The War Savings Staff was a continuation of the Defense Savings Staff established in March 1941. In the more than two years since its creation, it had set up a Nation-wide sales organization, along State lines, for the purpose, primarily, of selling Series E bonds to millions of individuals who were not normally investors in Government securities. These persons had little or no acquaintance with the investment markets, but the investment of their savings in Government securities was particularly necessary if the inflationary potentialities of public borrowing were to be minimized.

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SALES OF SERIES E SAVINGS BONDS BY DENOMINATIONS

MONTHLY SEPTEMBER 1941 THROUGH JUNE 1943

A. NUMBER OF PIECES



B. DOLLAR VALUE AT ISSUE PRICE

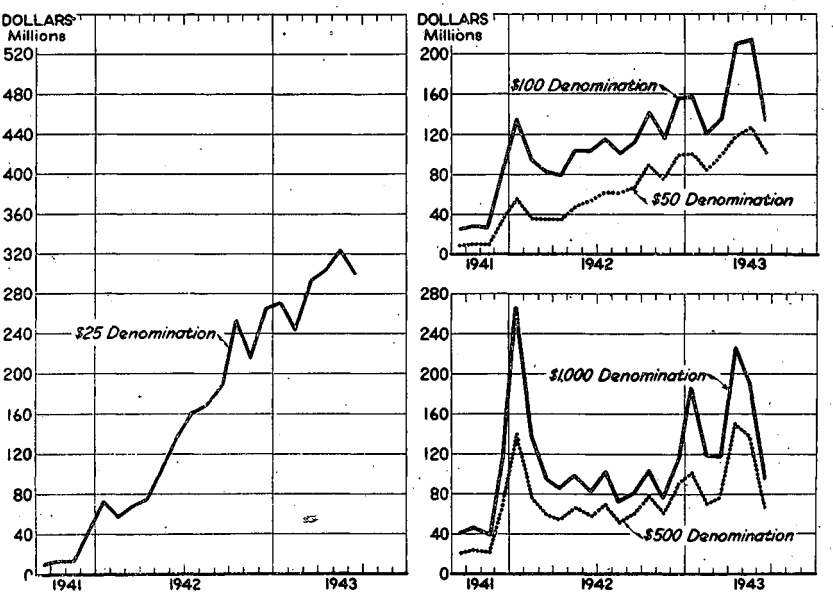


CHART 7.

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During the fiscal year ended June 30, 1943, the activities of the War Savings Staff, other than its operations during war loan drives, were directed primarily toward building up the payroll savings plan. This plan was inaugurated in the latter part of the calendar year 1941, and under it workers authorized their employers to make regular deductions from their wages for the purchase of war savings bonds. The chart on page 47 summarizes the growth of the plan. The table following sets forth summary figures as of June 30, 1942, and June 30, 1943. Further data may be found in the table on page 630 of this report.

Extent of participation in payroll savings plan, June 30, 1942, and June 30, 1943

[Estimated on basis of reports from companies and governmental agencies]

	June 1942	June 1943
Number of firms with plans (excluding Federal, State, and local governments)	108,099	182,895
Persons participating in payroll savings plan (including employees of Federal, State and local governments and members of the armed forces)	16,000,000	26,800,000
Aggregate amount deducted from pay of persons participating (including employees of Federal, State, and local governments and members of the armed forces)	$153,000,000	$415,000,000
Deductions as percentage of actual pay of participants	5.8%	9.0%

Sales of Series E savings bonds through the payroll savings plan grew steadily during the year, as shown in chart 8 on page 47. In that period the total amount deducted from pay rolls for the purchase of war savings bonds amounted to more than $4 billions, and these funds represented about one-half of the total amount of all Series E bonds sold during the year. Nearly 90 percent of the money deducted for this purpose is estimated to have come from persons earning less than $5,000 a year.

The aggregate monthly deductions of $415 millions that were accumulating in June 1943 for the purchase of war bonds under the payroll savings plan represented an average deduction of $15 for every person participating in the plan in that month. This deduction was sufficient, on the average, to provide a $25 bond once every five weeks for each one of the 26.8 million participating persons. This number of participants included some 3 million civilian employees of Federal, State, and local governments and nearly 3 million members of the armed forces.

Included among the firms having the payroll savings plan in operation at the end of the fiscal year were more than 99 percent of the firms with 500 or more employees and 95 percent of those with 100 to 500 employees. The persons employed by these firms represented about 85 percent of the total employees of business and industry in the country at the end of the fiscal year.

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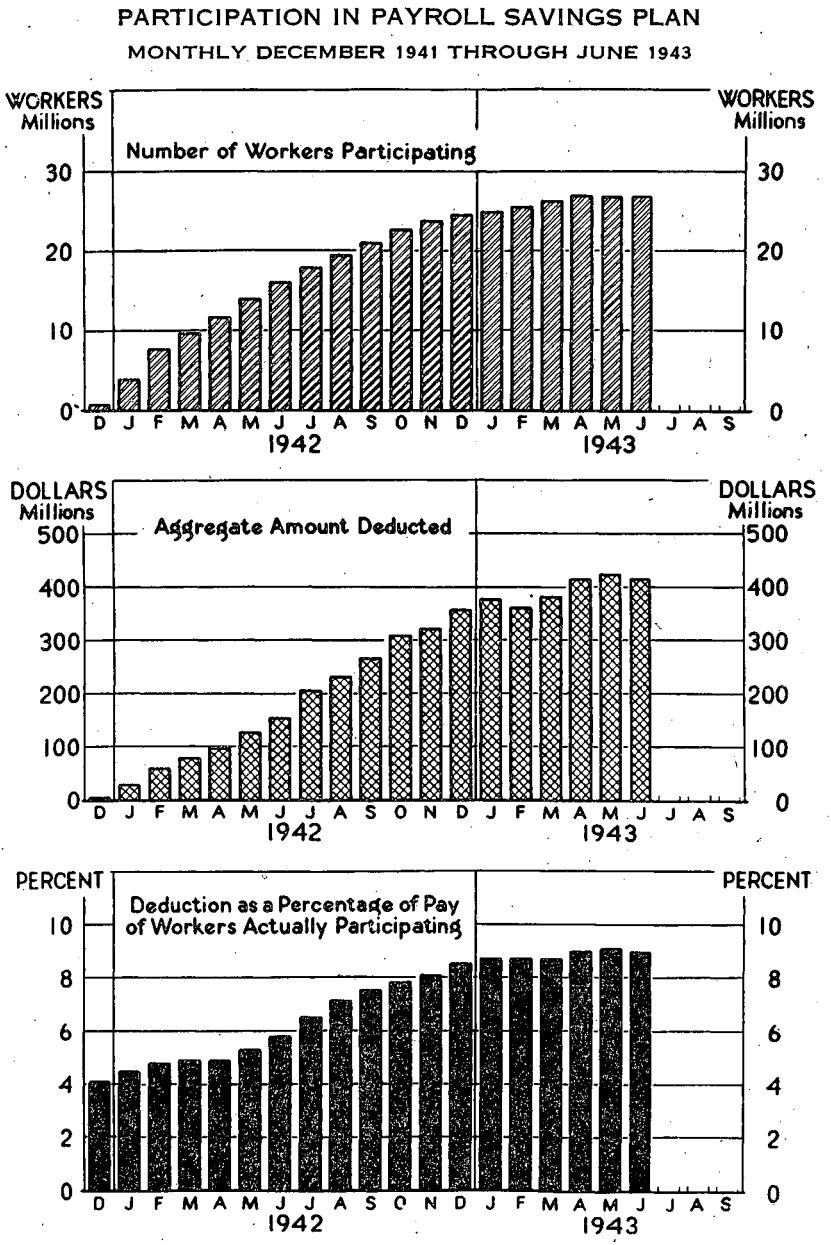


CHART 8.

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Savings bond redemptions.—United States savings bonds of Series E, upon which principal reliance has been placed for the absorption of small savings of individuals, differ from the popular issues employed in previous wars in that they are not negotiable but are redeemable at the owner's demand after 60 days from issue date, and in that annual purchases by individuals are limited in amount. Series F and Series G bonds, which were first offered in 1941 in response to requests for a savings bond with a higher annual purchase limit and for one which paid interest currently instead of only at redemption, have characteristics similar to Series E bonds, but may be considered as supplementary issues. United States savings bonds, which were first offered in 1935, are well adapted to popular war finance. The purchaser is protected by the feature of nonnegotiability against the risk of loss from a decline in market price, such as was suffered by holders of Liberty bonds immediately following the first World War. The liquidity of the investment is assured, however, by the feature of demand redeemability; but the owner is given a strong incentive to retain his bonds by the graduated scale of redemption values under which the rate of interest for the period held increases each half year.

Savings bond redemptions during the fiscal year 1943, at original purchase price, aggregated $841 millions. Monthly redemptions for the fiscal year 1943 and totals for the fiscal years 1941 through 1943 are shown in the following table. Detailed data from May 1935 are shown by months in the tables beginning on page 603.

Redemptions of savings bonds, fiscal years 1941 through 1943 and by months for the fiscal year 1943

[In thousands of dollars at original purchase price. Estimated, except Series G, on basis of redemptions as reported by Treasurer of United States]

Period	Series A to D	Series E	Series F	Series G	Total
By fiscal years:					
1941	142,182	22	49	542	142,796
1942	126,233	60,003	2,860	11,812	200,908
1943	81,804	688,023	16,994	54,508	841,329
By months:					
1942—July	7,159	14,799	491	2,523	24,972
August	8,443	19,003	764	3,370	31,581
September	7,789	22,519	645	2,757	33,709
October	7,401	28,090	904	3,183	39,578
November	5,872	32,028	742	4,058	42,699
December	6,256	43,756	921	3,216	54,150
1943—January	6,989	49,640	1,571	4,176	62,375
February	6,371	62,700	1,695	4,995	75,760
March	7,004	116,540	1,817	5,180	130,541
April	6,771	87,592	1,840	5,941	102,143
May	5,947	86,371	2,813	8,211	103,341
June	5,803	124,985	2,791	6,900	140,479

NOTE.—Figures are rounded to nearest thousand and will not necessarily add to totals.

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In order to obtain a complete picture of the relationship of savings bond redemptions to sales, the accumulated sales of each series of savings bonds should be compared with the accumulated redemptions. Such a comparison for Series E, F, and G savings bonds appears in the chart below. Between May 1, 1941, and June 30, 1943, cash receipts from the sales of Series E, F, and G savings bonds amounted to $18.4 billions. Redemptions through June 30, 1943, at original cost, totaled $835 millions or 4.5 percent of sales. More than 95 percent, therefore, of the $18.4 billions taken in by the Treasury from sales of Series E, F, and G savings bonds since they were first offered for sale was still invested in those securities on June 30, 1943.

SALES OF SAVINGS BONDS COMPARED WITH REDEMPTIONS

MONTHLY DECEMBER 1941 THROUGH JUNE 1943

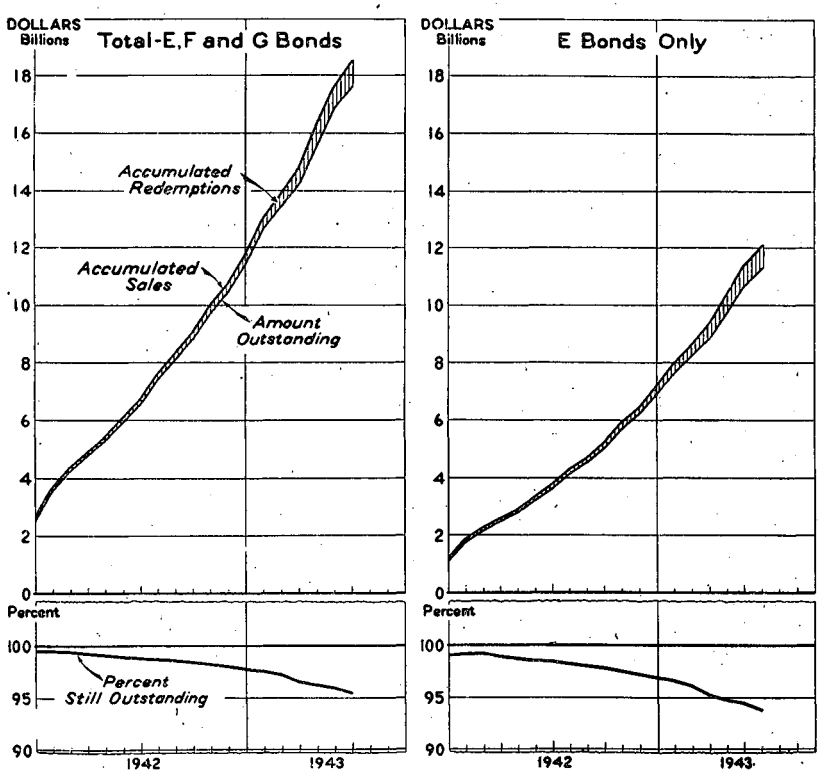


CHART 9.

Sales of Series E bonds amounted to $12 billions between May 1, 1941, and June 30, 1943. Redemptions at original cost amounted to $748 millions or 6.2 percent of sales. About 94 percent, therefore, of the funds received from sales of Series E bonds was still invested in those securities on June 30, 1943.

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Further details on sales and redemptions of Series E bonds, classified by denominations, appear in the chart on page 51. Redemptions, it is noted, are somewhat greater in proportion in the smaller denominations of Series E bonds than in the larger denominations. This is accounted for largely by two factors: (1) The lower-income individuals who buy bonds usually purchase the $25 denomination; they are generally the first to be affected by financial emergencies that make it necessary for them to cash the bonds they have acquired; (2) many persons, making substantial purchases of E bonds and wishing to provide against the possibility of having to redeem their bonds before maturity, specify delivery in small denominations, either to avoid the necessity of partial redemption of large denominations with reissue of the remainder in smaller denominations or in ignorance of the fact that such partial redemption is possible.

The table that follows summarizes accumulated sales and redemptions of Series F and G savings bonds and of Series E bonds by denominations, for selected months since these series were first issued.

Accumulated sales of Series E, F, and G savings bonds compared with accumulated redemptions, selected months from December 1941 to June 1943

[Sales and redemptions in millions of dollars at issue price estimated on basis of total deposits and redemptions, respectively, as reported by Treasurer of the United States]

	1941	1942		1943
	December	June	December	June
Series E:				
$25 denomination:				
Accumulated sales	113.9	630.0	1,883.1	3,618.2
Accumulated redemptions	1.1	10.7	90.5	419.4
Percent outstanding	99.0%	98.3%	95.2%	88.4%
$50 denomination:				
Accumulated sales	93.2	354.8	805.6	1,435.8
Accumulated redemptions	0.7	5.2	22.2	91.9
Percent outstanding	99.2%	98.5%	97.2%	93.6%
$100 denomination:				
Accumulated sales	258.4	854.1	1,596.5	2,567.9
Accumulated redemptions	2.4	13.1	36.7	96.8
Percent outstanding	99.1%	98.5%	97.7%	96.2%
$500 denomination:				
Accumulated sales	229.4	677.6	1,085.0	1,684.9
Accumulated redemptions	2.4	11.0	26.0	53.5
Percent outstanding	99.0%	98.4%	97.6%	96.8%
$1,000 denomination:				
Accumulated sales	449.7	1,212.9	1,763.2	2,693.9
Accumulated redemptions	4.5	20.1	44.9	86.4
Percent outstanding	99.0%	98.3%	97.5%	96.8%
All denominations:				
Accumulated sales	1,144.7	3,729.4	7,133.5	12,000.6
Accumulated redemptions	11.1	60.0	220.2	748.0
Percent outstanding	99.0%	98.4%	96.9%	93.8%
Series F:				
All denominations:				
Accumulated sales	207.7	501.6	859.7	1,259.5
Accumulated redemptions	.4	2.9	7.4	19.9
Percent outstanding	99.8%	99.4%	99.1%	98.4%
Series G:				
All denominations:				
Accumulated sales	1,184.9	2,426.6	3,700.9	5,186.1
Accumulated redemptions	2.1	12.4	31.5	66.9
Percent outstanding	99.8%	99.5%	99.2%	98.7%

NOTE.—Figures are rounded and will not necessarily add to totals.

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SALES OF SERIES E SAVINGS BONDS COMPARED WITH REDEMPTIONS, BY DENOMINATIONS

MONTHLY DECEMBER 1941 THROUGH JUNE 1943

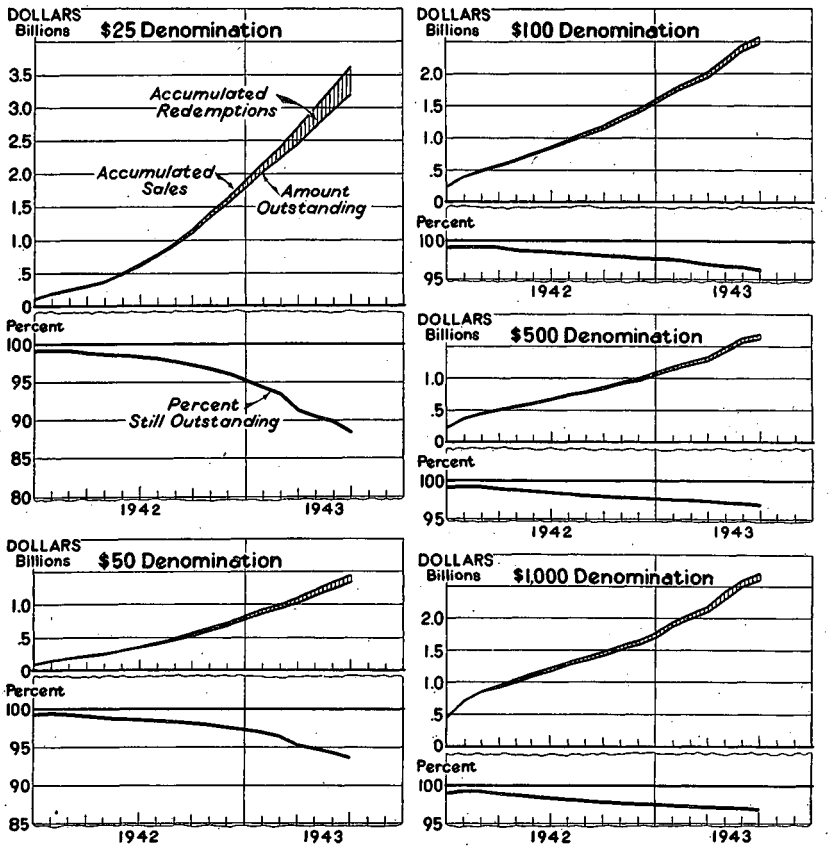


CHART 10.

Savings bond redemptions may also be compared with the amount of the various series outstanding. During the fiscal year redemptions of savings bonds amounted to 4.0 percent of the amount outstanding at the end of the fiscal year. For Series E bonds alone redemptions amounted to $688.6 millions (current redemption value) or 6.1 percent of the amount outstanding at the end of the fiscal year. The table that follows compares redemptions with the amount outstanding for the past 3 years and monthly during the fiscal year 1943.

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Redemptions of all series of savings bonds as percent of amount outstanding, fiscal years 1941 through 1943 and by months for the fiscal year 1943

[Dollars in thousands at current redemption value. On basis of daily Treasury statements, see p. 459]

Period	Redemptions during year or month	Amount outstanding at end of year or month	Redemptions as percent of amount outstanding
By fiscal years:			
1941	$148,126	$4,313,953	3.43
1942	207,388	10,188,188	2.04
1943	848,324	21,256,167	3.99
By months:			
1942—July	25,461	11,077,840	.23
August	32,176	11,751,163	.27
September	34,289	12,478,811	.27
October	40,125	13,380,842	.30
November	43,161	14,078,889	.31
December	54,652	15,049,804	.36
1943—January	62,973	16,246,122	.39
February	76,352	17,067,472	.45
March	131,210	17,890,701	.73
April	102,806	19,267,006	.53
May	103,972	20,507,383	.51
June	141,147	21,256,167	.66

NOTE.—Dollar figures are rounded to nearest thousand and will not necessarily add to totals.

The table below shows the redemption experience of all series of United States savings bonds since they were first issued in 1935. This experience has been different for bonds of Series A to E issued before our entry into the war, when the chief reasons for their purchase were their investment characteristics, and for Series E bonds issued since Pearl Harbor, for the purchase of which there has been the added reason of patriotism. The table separates bonds of Series A to E issued through December 31, 1941, from Series E bonds issued since that date in order to show this difference. (The redemption experience of Series F and Series G bonds is, of course, not comparable with the experience of bonds of Series A to E, although they are shown together in the table for convenience.)

Percent of sales of savings bonds of each denomination redeemed by the end of various yearly periods through June 30, 1943

[On basis of public debt accounts, see p. 459]

Denomination	Percent of bonds issued through Dec. 31, 1941, Series A to E, redeemed by the end of—							
	1 year (1935–41 Series)	2 years (1935–41 Series)	3 years (1935–40 Series)	4 years (1935–39 Series)	5 years (1935–38 Series)	6 years (1935–37 Series)	7 years (1935–36 Series)	8 years (1935 Series)
	Percent							
$25	7	13	24	30	35	40	42	42
$50	6	11	20	27	32	37	40	39
$100	6	11	19	25	30	34	37	37
$500	5	10	16	22	26	29	31	32
$1,000	4	8	11	15	19	22	24	26
All denominations	4	9	14	18	22	25	28	29

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Percent of sales of savings bonds of each denomination redeemed by the end of various yearly periods through June 30, 1943—Continued

Denomination	Percent of Series E bonds issued from Jan. 1, 1942, redeemed by the end of 1 year (1942 Series)	Percent of Series F and G bonds issued from May 1, 1941, redeemed by the end of—	
		1 year (1941–42 Series)	2 years (1941 Series)
	Percent		
$25	16	[1] 1	[1] 2
$50	9	([2])	([2])
$100	5	1	1
$500	4	1	1
$1,000	4	1	1
$5,000	([2])	1	1
$10,000	([2])	1	1
All denominations	8	1	1

NOTE.—The percentages shown in this table are the proportions of the value of the bonds sold in any calendar year which are redeemed before July 1 of the next calendar year, and before July 1 of succeeding calendar years. The percentages for each annual series have been calculated separately; the composite percentages shown above are simple averages of the percentages for each annual series.

[1] This denomination offered in Series F only.
[2] These denominations not offered.

Redemptions of United Savings bonds before maturity increased sharply in amount during the fiscal year 1942; but the volume of sales of such obligations also increased markedly. The proportion of Series E bonds issued during 1942 which had been redeemed at the end of 1 year was about 8 percent, or approximately twice that of the bonds of the same type issued earlier which had been redeemed at the end of 1 year. The redemption rate on Series E bonds of $25 denomination issued in 1942 was also about twice the rate for bonds of that denomination sold before our entry into the war; and the rate for the $50 denomination was about 50 percent greater than that for the corresponding denomination issued prior to January 1, 1942. On the other hand, redemptions after 1 year of Series E bonds of $100 denomination and larger, issued during 1942, were slightly less than redemptions of similar bonds issued before 1942. The reason that the proportion of over-all redemptions increased almost as much as that for $25 bonds alone, despite the much better redemption experience of the larger denominations, is, of course, the much higher proportion of $25 bond sales in 1942 than in previous years.

Redemptions of Series F and G bonds have been negligible, averaging only about 1 percent at the end of 2 years. These bonds, as noted above, were issued as supplements to Series E bonds, for investment needs of those who had purchased their limits of Series E, or who had special investment problems to which Series E bonds were not adapted.

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Issuing agents for war savings bonds.—As of June 30, 1943, there were 51,159 agents qualified to issue Series E war savings bonds. These figures do not include subagents and branches of issuing agencies, which run into considerable numbers. The continued growth in the number of these outlets for the sale of war savings bonds reflects the magnitude of the problem of mass distribution of a security such as Series E, intended for the small investor.

As of June 30, 1943, there had been appointed as issuing agents 9,240 corporations of an industrial, commercial, or retail character, compared with 2,566 such agents as of June 30, 1942. This marked increase was the result of the extension of the issuing privilege to corporations operating large payroll savings plans. The issuing privilege enabled these corporations to deliver the bonds purchased by their employees much more quickly than had otherwise been possible.

The following table shows the number and types of issuing agents on June 30, 1943, and various previous dates.

Number of agents qualified to issue Series E war savings bonds as of June 30, 1943, and various previous dates

[On basis of reports by Federal Reserve Banks]

Type of agent	1941	1942			1943
	May 7	Jan. 31	June 30	Dec. 31	June 30
Commercial and savings banks	7,676	14,097	14,478	15,353	15,342
Building and loan associations	739	2,434	2,911	3,629	3,684
Credit unions	8	2,080	2,907	2,876	2,753
Other corporations	7	487	2,566	7,991	9,240
Total other than post offices	8,430	19,098	22,862	29,849	31,019
Post offices	15,812	17,123	18,858	19,841	20,140
Grand total	24,242	36,221	41,720	49,690	51,159

War savings stamps.—Under authority of section 5 of the Public Debt Act of 1942, approved March 28, 1942, the Treasury Department assumed the liability of the Postal Savings System for postal savings stamps outstanding at the close of business September 30, 1942. The Postal Savings System thereupon discontinued the issuance of postal savings stamps and thereafter United States savings stamps were issued by the Treasury as a public debt obligation of the United States. Total sales of savings stamps during the fiscal year 1943, including sales reported by the Post Office Department for the first few months of the year, amounted to $590 millions. Redemptions during the same period amounted to $545 millions, of which $474 millions, or 87 percent, were exchanged for United States savings bonds. Monthly data on sales and redemptions of savings stamps from May 1, 1941, through June 30, 1943, are shown in the tables beginning on page 631.

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Treasury notes, tax series and savings series.—Treasury tax series notes were first offered for sale on August 1, 1941, as noted in my annual report for the fiscal year 1942. The purpose in offering these notes was to provide a convenient means of saving against accruing tax liabilities, and to make available to the Government money due from taxpayers during the period when the liability accrued. Two series of notes were issued. Series A notes, which were designed for the convenience of small taxpayers, were receivable for taxes at par and accrued interest at a rate of 16 cents per month per $100, or approximately 1.92 percent per annum. The aggregate amount of these notes which one could use in any year for the payment of income tax, estate tax, and gift tax was limited to $1,200 each. Series B notes, issued for the convenience of large taxpayers, particularly corporations, were acceptable in payment of taxes at par plus accrued interest of 4 cents per month per $100, or approximately 0.48 percent per annum. No limit was placed on the use of these notes for the payment of taxes. Series A and Series B notes matured at the end of 2 years from issue date. Cash redemptions were permitted at purchase price without interest for the period held.

Effective September 14, 1942, changes were made in the terms of tax series notes, with a view to increasing their usefulness and attractiveness, and thus increasing the amounts of money brought into the Treasury as a result of their sale. The increase in individual income tax rates which had already occurred and the further increases which were in prospect as a result of the demands of war finance made it expedient to raise the limit on the amount of Series A notes which could be used annually in payment of any one of the three taxes named above, from $1,200 to $5,000. At the same time, in order to allow purchasers a longer time to correct over-estimates of their tax liabilities and thus to encourage them to purchase a larger volume of notes, the maturity of these notes was extended to 3 years. Requests for the issuance of a short-term security with characteristics similar to those of United States savings bonds, in which corporations could invest liquid reserves which were accumulating, in part as a result of priorities and shortages, led to the introduction of a new series of notes for larger taxpayers in substitution for Series B tax savings notes. The new notes, designated Series C, differed from the previous issue of Series B notes in that Series C notes would be redeemed with accrued interest either in payment of taxes or for cash. They thus served the double purpose of providing for the accumulation of savings for the payment of taxes and for the temporary or short-term investment of idle liquid balances. They were redeemable in payment of taxes

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two months after issue date, and for cash 6 months after issue date on 30 days' notice. The interest yield of the notes was based on a sliding scale; and if held to maturity the notes yield approximately 1.07 percent. Official circulars with respect to Series A and C notes appear on pages 298, 326, and 339 of this report.

The introduction of the pay-as-you-go system of individual income tax collection, effective on July 1, 1943, removed the principal occasion for issuing Series A notes and their sale was terminated June 22, 1943. For the convenience of those who had purchased more of the notes than necessary to meet their tax liabilities under the new arrangement, provision was made for payment of accrued interest on the cash redemption of the notes. At the same time, the designation of Treasury notes of tax Series C was changed to Treasury savings notes of Series C. The requirement of 30 days' notice for the redemption of the latter notes, and the $5,000 limit on the use of Series A notes for tax payment have since been withdrawn.

Sales of Treasury notes, tax series and savings series (excluding exchanges), amounted to $8,690 millions during the year. Redemptions amounted to $4,209 millions, of which $4,094 millions were redeemed for taxes and $115 millions for cash. Sales and redemptions are shown, by issues, and by months, from August 1941 through June 1943 in the tables beginning on page 638.

Treasury bills.—Offerings of Treasury bills were made each week during the year; 43 issues were for a term of 91 days, 9 issues were for 92 days, and one issue was for 90 days. The amounts of the weekly offering increased progressively from $300 millions at the beginning of the fiscal year to $1,000 millions for the last 3 issues of the year. The 11 series outstanding at the beginning of the year totaled $2,508 millions and the 13 series outstanding at the end of the year, $11,864 millions, an increase of $9,356 millions in the amount outstanding.

The average rate on all bills issued during the year was 0.371 percent. Only a small amount of fluctuation in the rate occurred. This was due to the continuing influence of the posted rate of ⅜ of 1 percent for the purchase of such bills which was established at the Federal Reserve Banks pursuant to directions of the Federal Open Market Committee on April 30, 1942.

On May 6, 1943, announcement was made that, in the interest of wider distribution of Treasury bills, offerings beginning with the issue dated May 12, 1943, and thereafter until further notice, would include a provision for the receipt and allotment in full of tenders for $100,000 or less from any one bidder at a fixed price of 99.905 (equivalent to a rate of discount of approximately ⅜ of 1 percent per annum), in addition to the conventional bidding on a competitive basis. At the same time it was also announced that beginning with the issue dated

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May 12, 1943, 92-day Treasury bills would be offered for a period of 13 weeks. With the completion of this cycle, Treasury bills began to mature on Thursdays, an arrangement which affords an extra day's time between the opening of bids on Mondays and the date of payment, and which thus alleviates the difficulty which was being encountered from congestion in communication facilities.

Further information concerning Treasury bills will be found in the exhibits beginning on page 332 and in the table on page 590.

Adjusted service bonds.—Adjusted service bonds of 1945, amounting to $733,800, were issued during the year, making a total of $1,841 millions of such bonds issued since June 15, 1936, in payment of amounts due on adjusted service certificates. Redemptions of $7 millions of these bonds during the year brought the total redemptions since June 15, 1936, to $1,619 millions, leaving $222 millions outstanding on June 30, 1943. Further data on adjusted service bonds appear in the table on page 552.

Depositary bonds.—The issuance of depositary bonds, as authorized by Department Circular No. 660, dated May 23, 1941, was continued during the fiscal year to various depositaries and financial agents in amounts not exceeding the amounts for which the depositary and financial agency had qualified. These agents had executed depositary, financial agency, and collateral agreements satisfactory to the Secretary of the Treasury. The total amount issued during the year was $147,277,250, bringing the total amount issued to $226,235,250. Redemptions for the year amounted to $65,000, bringing total redemptions to $70,000 and leaving $226,165,250 outstanding.

Special issues.—During the year the Treasury continued to issue special series of interest-bearing securities for the investment of trust or other funds deposited in the Treasury. The amount of such obligations increased by $2,986 millions during the year, the details of which will be found in the table on page 554 of this report.

Special short-term certificates of indebtedness.—Special short-term certificates of indebtedness, issued for various periods of from 1 to 7 days, were sold during the fiscal year to the Federal Reserve Bank of New York. These certificates were issued at times when the Treasury, in order to avoid accumulating funds in excess of its needs and thus disturbing the money market, permitted its balances with the Federal Reserve Banks to be exhausted in anticipation of heavy payments on account of income taxes or the sale of securities in the war loan drives. The certificates were issued only to the extent of the overdrafts thus incurred. The details of such issues will be found in the table on page 590 of this report.

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Cumulative sinking fund

Credits accruing to the cumulative sinking fund during the year amounted to $588 millions which, added to the unexpended balance of $3,178 millions brought forward from the previous year, made a total of $3,766 millions available in the fund. Of this amount, about $3 millions were applied to the retirement of various issues of bonds and notes which matured during the fiscal year 1942. The unexpended balance of $3,762 millions was carried forward to the fiscal year 1944.

Tables presenting the transactions on account of the fund for 1943 and since its inception on July 1, 1920, will be found beginning on page 599.

Composition of the public debt

The gross public debt on June 30, 1943, amounted to $136,696 millions, an increase of $64,274 millions during the fiscal year. The chart on page 59 shows the composition of the interest-bearing debt and also the guaranteed debt outstanding at the end of each month from June 30, 1936, through June 30, 1943. The following table shows the amount of the public debt outstanding on June 30, 1942, and June 30, 1943, classified by character of issues, the percent increase during the year, and the percent distribution of the debt among the various classes of issues.

Public debt outstanding on June 30, 1942, and June 30, 1943, by classes of issues[1]

[Dollars in millions. On basis of daily Treasury statements, see p. 459]

Class of issue	June 30, 1942	June 30, 1943	Percent increase or decrease (−), 1943 over 1942	Percent distribution of amounts	
				1942	1943
Interest-bearing:					
Public issues:					
Marketable issues:					
Postal savings bonds, etc., authorized by acts prior to Apr. 6, 1917	$196	$196	(*)	0.3	0.1
Treasury bonds	38,085	57,520	51.0	52.6	42.1
Treasury notes	6,689	9,168	37.1	9.2	6.7
Certificates of indebtedness	3,096	16,561	435.0	4.3	12.1
Treasury bills	2,508	11,864	373.0	3.5	8.7
Total marketable issues	50,573	95,310	88.5	69.8	69.7
Nonmarketable issues:					
United States savings bonds	10,188	21,256	108.6	14.1	15.5
Depositary bonds	79	226	186.5	.1	.2
Adjusted service bonds	229	222	−2.9	.3	.2
Treasury notes, tax series and savings series	3,015	7,495	148.6	4.2	5.5
Total nonmarketable issues	13,510	29,200	116.1	18.7	21.4
Total public issues	64,083	124,509	94.3	88.5	91.1
Special issues to trust funds, etc.	7,885	10,871	37.9	10.9	8.0
Total interest-bearing debt	71,968	135,380	88.1	99.4	99.0
Matured debt on which interest has ceased	98	141	42.9	.1	.1
Debt bearing no interest	356	1,175	230.4	.5	.9
Total gross debt	72,422	136,696	88.7	100.0	100.0

NOTE.—Figures are rounded and will not necessarily add to totals.

*Less than 0.05 percent.

[1] A table covering obligations guaranteed by the United States for these dates appears on p. 64.

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COMPOSITION OF THE PUBLIC DEBT,[1] BY TYPES OF ISSUES

MONTHLY JUNE 1936 THROUGH JUNE 1943

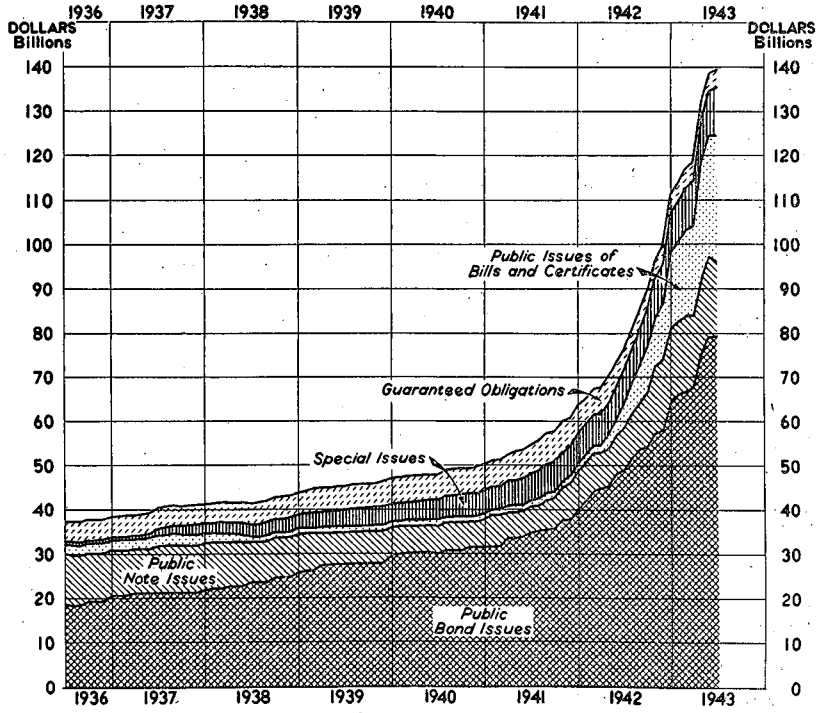


CHART 11.

[1] Including guaranteed issues.

The principal changes in the composition of the public debt during the year were the increase in the proportion of Treasury bills and certificates of indebtedness and the corresponding decrease in the proportion of Treasury notes and bonds. Weekly offerings of 3-month Treasury bills were increased during the year from $300 millions to $1 billion. On June 30, 1942, only two public issues of certificates of indebtedness, amounting to about $1.5 billions each, were outstanding, while on June 30, 1943, there were six issues ranging in amount from $1.6 billions to $5.3 billions. About 38 percent of the increase in public issues outstanding consisted of the increased amounts of Treasury bills and certificates of indebtedness. The decline in the relative importance of Treasury bonds during the fiscal year was due partly to the policy, discussed on page 77 of this report, of placing restrictions on the purchase of bonds by commercial banks.

United States savings bonds outstanding rose from 14.1 to 15.5 percent of the total debt between June 30, 1942, and June 30, 1943, reflecting the growth of the payroll savings plan. The increase of outstanding Treasury notes, tax series and savings series, from 4.2 to 5.5 percent of the total debt was the result, in large part, of the liberalization of the terms of these issues in September 1942.

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Interest on the public debt

Expenditures.—Total expenditures during the year for interest on the public debt amounted to $1,808 millions, an increase of $548 millions over expenditures of the previous year. As shown in table 52, on page 654, $1,019 millions consisted of interest subject to the Federal income tax, $515 millions of interest subject, with minor exceptions, to the surtax only, and $38 millions of interest wholly exempt from the Federal income tax. In addition, interest paid on special securities issued to Federal Government agencies and trust funds which are not taxable amounted to $241 millions. These amounts compare with expenditures of $153 millions of taxable, $850 millions of partially tax-exempt, and $57 millions of wholly tax-exempt interest, and $199 millions of interest on special issues in the previous fiscal year.

Interest rate structure.—Chart 13 compares the term structure of interest rates on United States Government securities on June 30, 1943, with that of December 6, 1941, just before our entry into the war, and on June 30, 1942. It will be noted that the yields of taxable Treasury securities did not change greatly during the fiscal year 1943, but that from December 6, 1941, to June 30, 1942, rates rose throughout the entire range of maturities. The greatest increases in rates, however, occurred among short-term Treasury obligations. Yields of tax-exempt Treasury securities, which also rose between December 6, 1941, and June 30, 1942, declined during the fiscal year, and on June 30, 1943, were close to their levels just before Pearl Harbor.

Computed interest rate.—The computed average rate of interest on the public debt on June 30, 1943, amounted to 1.979 percent. This was the lowest which this rate had ever been and compares with 2.285 percent on June 30, 1942, and 2.518 percent on June 30, 1941.

Computed interest rates for each type of public debt issue for each month from June 1935 through June 1943 are shown in the chart on page 62. The reduction in the computed rate during the year reflected in part a refunding of debt issued at higher rates in earlier years, and in part a change in the composition of the debt through the issuance of securities of shorter average maturity than those previously outstanding. As previously noted, the rates of interest paid by the Treasury Department on securities of various maturities issued during the year did not change materially from the rates prevailing for securities of corresponding maturities at the beginning of the year.

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YIELDS OF OBLIGATIONS OF THE UNITED STATES ON SELECTED DATES

[BASED ON CLOSING PRICES]

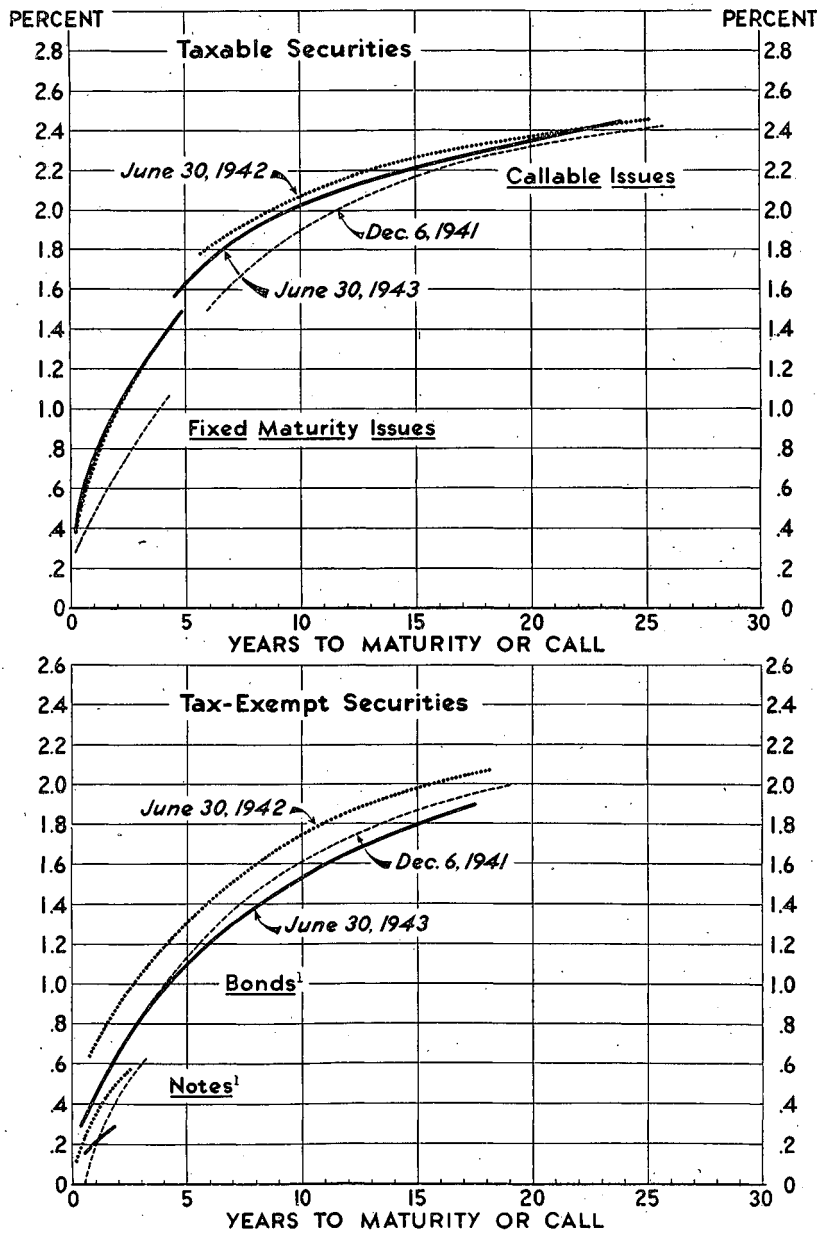


CHART 12.

[1] Notes are all fully tax-exempt, fixed maturity issues. Bonds are all partially tax-exempt, and those to which the curves are drawn are all callable issues.

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COMPUTED ANNUAL INTEREST RATES ON THE PUBLIC DEBT

BY TYPES OF ISSUES, MONTHLY JUNE 1935 THROUGH JUNE 1943

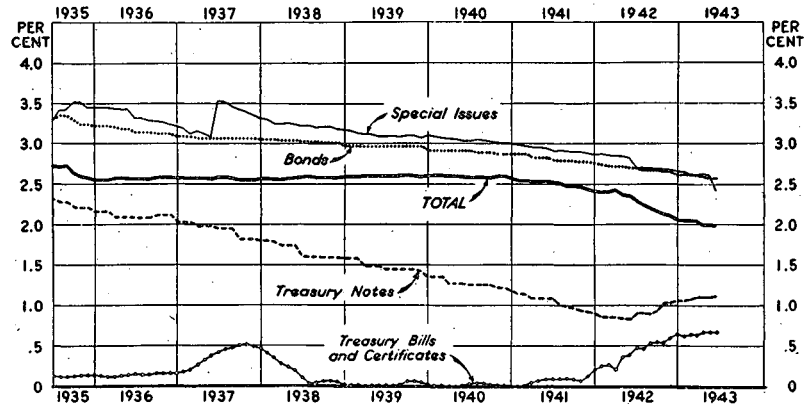


CHART 13.

Debt limit

The Public Debt Act of 1943, effective April 11, 1943 (see exhibit on page 338), further amended section 21 of the Second Liberty Bond Act to increase the limit on the amount of obligations which might be issued under authority of the act to $210 billions outstanding at any one time. The prior limitation was $125 billions. The unused borrowing authorization as of June 30, 1943, under the limitation in effect on this date is shown below.

Face amount of obligations outstanding and the face amount which can still be issued under the limitation in effect on June 30, 1943

Total face amount that may be outstanding at any one time			$210,000,000,000
Outstanding as of June 30, 1943:			
Interest-bearing:			
Bonds:			
Treasury	$57,520,467,900		
Savings (maturity value) [1]	26,195,158,550		
Depositary	226,165,250		
Adjusted service	722,060,157		
		$84,663,851,857	
Treasury notes	22,758,889,525		
Certificates of indebtedness	20,836,685,000		
Treasury bills (maturity value)	11,863,911,000		
		55,459,485,525	
		140,123,337,382	
Matured obligations on which interest has ceased		132,396,425	
Debt bearing no interest (United States war savings stamps)		213,349,935	
			140,469,083,742
Face amount of obligations issuable under above authority			69,530,916,258

[1] Approximate maturity value. Principal amount (current redemption value) according to daily Treasury statement, $21,256,166,543.

Reconcilement with Daily Statement of the United States Treasury, June 30, 1943

Total face amount of outstanding public debt obligations issued under authority of the Second Liberty Bond Act, as amended		$140,469,083,742
Deduct: Unearned discount on savings bonds (difference between current redemption value and maturity value)		4,938,992,007
Add: Other public debt obligations outstanding but not subject to the statutory limitation:		135,530,091,735
Interest-bearing (postal savings bonds, etc.)	$195,960,420	
Matured obligations on which interest has ceased	8,103,665	
Debt bearing no interest	961,934,510	
		1,165,998,595
Total gross debt outstanding as of June 30, 1943		136,696,090,330

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THE GUARANTEED DEBT

The Treasury has made available to certain Government corporations and credit agencies, authorized to issue obligations guaranteed as to principal and interest by the United States, all of its facilities for the issuance, redemption, etc., of public debt obligations, so that those corporations desiring to do so could arrange to have their obligations serviced through Treasury facilities.

However, because of the policy of the Treasury, inaugurated in October 1941, to provide the funds needed by Government corporations and credit agencies issuing guaranteed obligations, there were no new issues sold in the open market by Government corporations in 1943, although the Commodity Credit Corporation, following approval by the Treasury, borrowed from commercial banks to finance certain of that Corporation's programs. The ownership of certain Reconstruction Finance Corporation obligations was transferred during the year from the Treasury to other Government corporations, to give those corporations a temporary medium of investing their idle balances. The amounts of these items outstanding appear in the statement of the guaranteed debt as obligations of the Reconstruction Finance Corporation.

The facilities of the Treasury were used during the year to handle the guaranteed market securities which matured or were called for redemption. The following table shows the maturities and redemptions of guaranteed market issues during the year.

Guaranteed obligations matured and redeemed during the fiscal year 1943

Description	Amount
Commodity Credit Corporation:	
¾% notes, Series F, matured May 1, 1943	$289,458,000
Home Owners' Loan Corporation:	
2¼% bonds, Series G, 1942–44, called for redemption on July 1, 1942	29,324,225
3% bonds, Series A, 1944–52, retired by special authority on various dates	425
Reconstruction Finance Corporation:	
1% notes, Series S, matured July 1, 1942	3,596,000
⅞% notes, Series U, matured October 15, 1942	319,895,000
Total	642,273,650

During the year issues of mutual mortgage insurance fund and housing insurance fund debentures amounted to $4,313,850. Instructions were issued by the Secretary of the Treasury on March 27, 1942, and September 28, 1942, pursuant to calls of the Commissioner, Federal Housing Administration, for the partial redemption by seventh and eighth calls of mutual mortgage insurance fund debentures, Series B, in aggregate amounts of $1,473,850 and $841,850, payable July 1, 1942, and January 1, 1943, respectively. During the fiscal year the uncalled debentures redeemed amounted to $3,100.00 for Series B and $19.05 for Series A. The net increase in outstanding Federal

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Housing Administration debentures during the fiscal year was $1,995,030.95.

Instructions were issued by the Secretary of the Treasury on March 27, 1943, pursuant to call of the Commissioner, Federal Housing Administration, for the partial redemption by ninth call of mutual mortgage insurance fund debentures, Series B, and for the partial redemption by first call of housing insurance fund debentures, Series D, in the amounts of $538,400 and $1,618,850, respectively, payable July 1, 1943.

Copies of the instructions issued by the Secretary of the Treasury during the fiscal year 1943 will be found as exhibits beginning on page 340.

As a result of the financing policy for Government corporations and credit agencies, the contingent liabilities of the Government on account of outstanding unmatured obligations in the hands of the public decreased from $4,548 millions on June 30, 1942, to $4,092 millions on June 30, 1943. The net changes during the year in the various classes of guaranteed securities outstanding are shown in the table that follows. A detailed statement of these obligations and of certain other contingent liabilities of the United States as of June 30, 1943, will be found on page 656.

Comparison of obligations guaranteed by the United States outstanding June 30, 1942 and 1943, by agencies [1]

[In millions of dollars. On basis of daily Treasury statements, see p. 459]

Corporation or agency	June 30, 1942	June 30, 1943	Increase or decrease (−)
Unmatured obligations:			
Commodity Credit Corporation	701	480	−221
Federal Farm Mortgage Corporation	930	930	
Federal Housing Administration:			
Mutual mortgage insurance fund	9	9	(*)
Housing insurance fund	13	15	2
Federal Public Housing Authority [2]	114	114	
Home Owners' Loan Corporation	1,563	1,533	−29
Reconstruction Finance Corporation	1,219	1,011	−208
Total unmatured obligations	[3] 4,548	[3] 4,092	−457
Matured obligations, all agencies	20	8	−11
Matured interest, all agencies	3	3	(*)
Total, based on guarantees	4,571	4,103	−468

NOTE.—Figures are rounded to nearest million and will not necessarily add to totals.

*Less than $500,000.

[1] Does not include obligations held by the Treasury and reflected in the public debt.

[2] Formerly United States Housing Authority; changed by Executive Order No. 9070, dated Feb. 24, 1942.

[3] Does not include $8 millions of obligations issued on the credit of the United States by the Tennessee Valley Authority and held by the Reconstruction Finance Corporation.

Securities of Government corporations and credit agencies held directly by the Treasury increased from $4,079 millions as of June 30, 1942, to $7,535 millions as of June 30, 1943.

During the fiscal year the power of the Federal Housing Administration and the Reconstruction Finance Corporation to issue guar-

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anteed obligations was extended by the enactment of further legislation. Under the act of March 23, 1943 (Public Law 15), the authority of the Federal Housing Administration to insure the principal amount of mortgages under Title VI of the National Housing Act, as amended, was increased by $400 millions. The aggregate amount of principal obligations of all mortgages insured by the Federal Housing Administration is now limited to $5,200 millions, which may be increased by an amount not exceeding $1,000 millions with the approval of the President. In addition, the Commissioner is authorized to incur total liabilities not exceeding $165 millions under Title I of the National Housing Act, as amended, for insured renovation and modernization loans.

As the result of transactions during the fiscal year 1943, under several existing acts, the borrowing power of the Reconstruction Finance Corporation changed. The amount of obligations which it was authorized to issue, as of June 30, 1943, amounted to $17,108 millions, including the amounts outstanding under indefinite authorizations, a net decrease of $124 millions since June 30, 1942. This net decrease results from the following changes:

INCREASES

	Amount
Statutory authorizations with definite limitations:	
I. For loans to Secretary of Agriculture, act of July 22, 1942—Public Law 674 (55 Stat. 664):	
Loans under Title I of The Bankhead-Jones Farm Tenant Act	$32,500,000
Loans under Title II of The Bankhead-Jones Farm Tenant Act	97,500,000
Loans under section 7 of the Rural Electrification Act	10,000,000
II. For loans to Federal Housing Administrator (48 Stat. 1247; 12 U. S. C. 1705)	3,500,000
Statutory authorizations with indefinite limitations:	
III. For subscriptions to preferred stock in national banks, State banks, or trust companies (48 Stat. 6; 12 U. S. C. 51–d)	−27,433,386
Total increases	116,066,614

DECREASES

IV. Obligations of the Reconstruction Finance Corporation canceled by the Secretary of the Treasury pursuant to act of February 24, 1938, on account of expenditures for:	
Federal Housing Administrator	3,500,000
Regional agricultural credit corporations—capital	37,000,000
Regional agricultural credit corporations—expenses	1,046,322
V. Repayment of loans to Secretary of Agriculture for farm tenancy and rural rehabilitation	198,213,946
Total decreases	239,760,268
VI. Net decrease in borrowing power	123,693,654

The provisions of law authorizing agencies to issue obligations guaranteed by the United States have placed certain limits with respect to the total amounts that can be issued. This legislation with respect to the limitations established may be placed in three groups as follows:

(1) *Definite limitation.*—Provisions stating a specific amount of obligations which may be (a) issued, or (b) issued and outstanding at any specified time. When the legislative authority provides only for the issue of obligations, the agency may issue obligations in a definite amount but after they have been retired may not issue new

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obligations in an equal amount. Under the second provision, the agency may reissue obligations provided the total amount outstanding does not exceed the authorized limit.

(2) *Indirect limitation.*—Provisions not stating a specific amount of obligations that may be issued and outstanding at any time, but the amount issued and outstanding is contingent upon other specific limiting factors. As a result there is an indirect limit upon the amount which may be issued and outstanding at any one time.

(3) *No specific limitation.*—Provisions not stating a specific amount of obligations which may be issued or issued and outstanding at any one time, but the amount is contingent upon other specific factors, the amount of such factors also being indefinite.

The table that follows shows, by agencies, the amounts of obligations authorized to be outstanding as of June 30, 1943, and the amounts actually outstanding on that date.

Borrowing power and outstanding issues of Government corporations and credit agencies whose obligations are guaranteed by the United States, June 30, 1943

[In millions of dollars]

Agency	Borrowing power	Outstanding obligations			
		Total	Held by Treasury	Held by others [1]	
				Unmatured	Matured [2]
I. Agencies issuing obligations for cash or in exchange for mortgages:					
Commodity Credit Corporation	2,650	2,430	1,950	480	(*)
Federal Farm Mortgage Corporation	2,000	932	----	930	2
Federal Public Housing Authority	[3] 800	397	283	114	----
Home Owners' Loan Corporation	[3] 4,750	1,751	212	1,533	6
Reconstruction Finance Corporation	17,108	6,044	5,033	1,011	(*)
Tennessee Valley Authority	62	57	57	----	----
Subtotal	27,370	11,612	7,535	4,069	8
II. Agencies issuing obligations only in payment of defaulted and foreclosed insured mortgages:					
Federal Housing Administration	[4] 5,365	23	----	23	(*)
U. S. Maritime Commission	[5] 200	----	----	----	----
Subtotal	5,565	23	----	23	(*)
Grand total	32,935	11,635	7,535	4,092	8

NOTE.—Figures are rounded to nearest million and will not necessarily add to totals.

*Less than $500,000.

[1] Excludes matured interest, all agencies, in amount of $3 millions.

[2] Funds have been deposited with the Treasurer of the United States for payment of all obligations guaranteed by the United States, representing outstanding matured principal of $8 millions and interest of $3 millions.

[3] This amount may be increased only by the amount of issues for refunding purposes.

[4] Limit of authority to insure mortgages. This amount may be increased by $1,000 millions upon approval by the President. Debentures may be issued and tendered only in exchange for insured property acquired through foreclosure.

[5] Limit which may be outstanding at any one time with respect to the insuring of mortgages.

SOURCES OF FUNDS FOR FEDERAL BORROWING

Production in general—and war production in particular—creates the pool of funds which the Treasury must draw on to finance the war. Production turns out physical goods and services for war and civilian purposes; it also generates at the same time income equal in amount to the value of production. What the people of the Nation receive in the way of income is simply the equivalent of what they

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produce in the way of goods and services. If the Federal Government, therefore, spends more than it receives in taxes, the people of the country have more income left than they can use to purchase the limited supply of goods and services without an increase in prices. For the Federal Government, a deficit results; for the rest of the economy, an identical surplus. It is precisely this surplus which exercises an inflationary pressure on the price level, and which the Government, therefore, must try to reach through its borrowing program.

There follows an analysis of the value of production during the fiscal year 1943, and the uses of the gross income generated by this production. The succeeding section analyzes the uses of new liquid savings and accumulations made by the various groups of investors, with particular reference to the amounts which it is estimated were placed in Federal securities.[1]

Value of production and corresponding gross money income of the country

The chart below and the table on page 68 present estimates of the gross national product and its disposition for the fiscal year 1943, based mainly on estimates prepared by the Department of Commerce. The gross national product represents the sum total of the current production of goods and services in the Nation.

GROSS NATIONAL PRODUCT AND THE DISPOSITION OF THE INCOME GENERATED BY PRODUCTION, FISCAL YEAR 1943

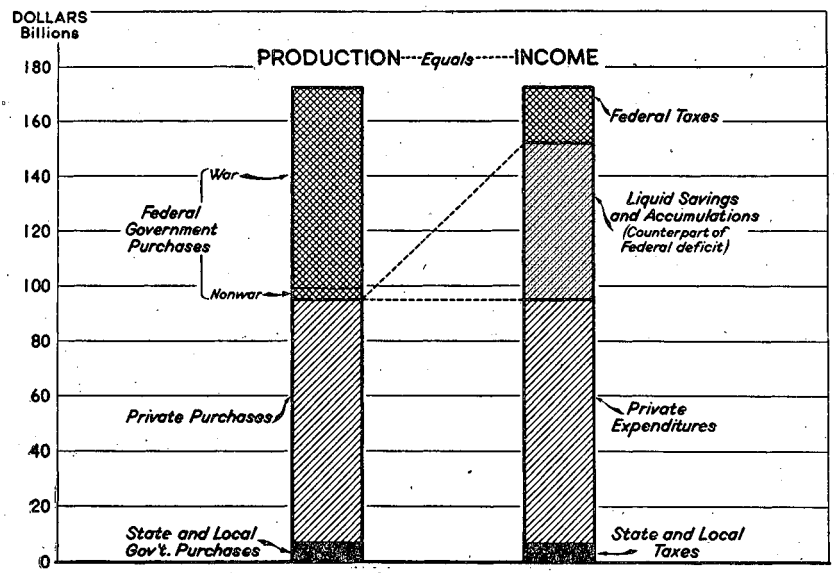


CHART 14.

NOTE.—Estimates by Department of Commerce and Treasury Department.

[1] The statistics available for this analysis are by no means complete. A number of Federal agencies have conducted studies which provide valuable information pertaining to many aspects of the problem, and it is thus possible to analyze the situation in broad outline, even though many details are lacking. It is obviously impossible in a brief discussion to bring out all of the technical aspects of the data, although the more important qualifications in the source material will be noted from time to time.

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Gross national product and the disposition of the income generated by production, fiscal year 1943

[In billions of dollars. Estimates of Department of Commerce and Treasury Department]

A. Production of goods and services, classified by purchaser:	
1. Purchases by Federal Government: [1]	
a. War	72.5
b. Other	4.5
c. Total	77.0
2. Private purchases:	
a. Capital goods	1.5
b. Consumers' goods and services	86.6
c. Total	88.1
3. Purchases by State and local governments [1]	6.9
4. Gross national product	172.1

B. Disposition of gross money income generated by production:	
1. Net Federal taxes received from income stream [2]	20.6
2. Liquid savings and accumulations:	
a. Made by individuals [3]	32.5
b. Made by corporations [4]	16.6
c. Made by governmental accounts [5]	5.3
d. Unallocated	2.1
e. Total	56.5
3. Spent for private goods and services:	
a. By businesses	.6
b. By consumers	87.5
c. Total	88.1
4. Net State and local taxes received from income stream [2 6]	6.9
5. Gross national product	172.1

NOTE.—Figures are rounded to nearest tenth of a billion and will not necessarily add to totals.

[1] Excludes government expenditures not constituting a drain on gross national product.
[2] Represents total taxes received, with adjustments to allow for amounts returned to the income stream through such payments as relief, pensions, and dependency allowances, as well as for tax payments made to withholding agents but not yet received by the Treasury.
[3] Includes partnerships, personal trust accounts, and unincorporated businesses.
[4] Includes small amount of reserves of unincorporated businesses, for which separate data are not available.
[5] Includes accumulations in Federal trust funds and surpluses of State and local governments.
[6] Excludes amounts of State and local surpluses, which are included in accumulations in governmental accounts.

It should be noted at the outset that the figures for the Federal Government shown in the chart and table have been adjusted from figures for total Federal expenditures and receipts appearing elsewhere in this report. Total government expenditures (State and local as well as Federal) include certain payments which do not absorb current production of goods and services, and it has been necessary to exclude these items in arriving at a figure which will represent the government's draft on current output. Similarly, data on government receipts must be adjusted in order to arrive at a tax figure which represents only the net amount withdrawn from the sum total of incomes generated by current production, and which allows also for amounts returned to the income stream through such payments as relief, pensions, and dependents' allowances, as well as for tax payments made to withholding agents but not yet received by the Treasury.

The left side of the chart presents a striking picture of the extent to which our economy has been mobilized for war. The gross national product of $172.1 billions in the fiscal year 1943 was the highest in the Nation's history. Of this total, $72.5 billions was taken by the Federal Government for war purposes and another $4.5 billions for other purposes. State and local government purchases amounted to $6.9 billions, leaving $88.1 billions for private use.

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The table shows that the total for private use consisted of $86.6 billions of consumers' goods and services and $1.5 billions of private capital goods. The small amount shown for purchases of private capital goods reflects sharply curtailed production of new private plant, equipment, and housing, as well as the withdrawal from inventories of goods which could not be replaced. The figure for consumers' goods and services, on the other hand, is the highest ever recorded. None of the figures has been adjusted, however, to eliminate the effect of rising prices, since it is the dollar values which are pertinent in following production through to income.

The following table presents a reconciliation of the Treasury figures on Federal expenditures for the fiscal year with the Department of Commerce figures on purchases of goods and services by the Federal Government.

Reconciliation of Federal expenditures and Federal purchases of goods and services, fiscal year 1943

[In billions of dollars]

Item	War	Other	Total
A. Federal expenditures:			
1. Budgetary expenditures	72.1	6.1	78.2
2. Government corporations	3.0	−1.5	1.5
3. Total	75.1	4.6	79.7
B. Less: Expenditures not constituting a drain on gross national product:			
1. Purchase of existing assets, prepayments on contracts, offshore expenditures, and dependents' allowances	2.2		2.2
2. Loan transactions of Government corporations	.4	−1.1	−.7
3. Miscellaneous, including relief and veterans' pensions		1.2	1.2
4. Total	2.6	.1	2.6
C. Federal purchases of goods and services	72.5	4.5	77.0

NOTE.—Figures are rounded to the nearest tenth of a billion and will not necessarily add to totals.

The right side of the chart shows how individuals and businesses used the incomes which they received in the fiscal year 1943 as a result of their participation in productive activities. Total private expenditures of $88.1 billions, shown in this part of the chart, are the same as total private purchases, shown in the left side of the chart. Purchases by individuals of $86.6 billions of consumers' goods and services and $0.9 billion of private capital goods are added to arrive at consumers' spendings; businesses purchased the remaining $0.6 billion of private capital goods.

The other uses of income shown in the chart are tax payments to the Federal, State, and local governments and liquid savings and accumulations. The amount shown for Federal taxes is $20.6 billions, but as already noted this represents net Federal taxes received from the income stream rather than the amount of net budgetary receipts reported by the Treasury for the fiscal year. Adjustments of the

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Treasury figure to reflect net Federal taxes received from the income stream are shown in the following table.

Reconciliation of Federal receipts and net Federal taxes received from the income stream, fiscal year 1943

[In billions of dollars]

Item	Amount
Net budget receipts	22.3
Plus: Tax payments made to withholding agents but not yet received by the Treasury	.8
	23.1
Less: Amounts returned to the income stream and amounts received from non-current income	2.5
Net Federal taxes received from the income stream	20.6

Net State and local taxes received from the income stream are shown at $6.9 billions in the chart, equivalent to the amount expended on goods and services by State and local governments. The figures have been adjusted, however, to exclude State and local surpluses which are included as part of liquid accumulations made by governmental accounts.

It is estimated that liquid savings and accumulations amounted to $56.5 billions in the fiscal year. This total consisted of $32.5 billions of liquid savings of individuals, $16.6 billions of liquid accumulations of corporations, $5.3 billions of liquid accumulations of governmental accounts, and $2.1 billions which it was not possible to allocate to specific investor classes. The term "individuals" has been defined for purposes of this analysis to include partnerships, personal trust accounts, and unincorporated businesses.

Liquid corporate accumulations include unspent reserves and retained earnings. These business accumulations cannot be spent for plant, equipment, or new inventories because of wartime controls. The total for corporations includes also a small amount of unspent reserves of unincorporated businesses, since data are not available to separate these reserves and classify them instead with liquid savings of individuals.

Liquid accumulations of governmental accounts include accumulations in Federal trust funds, mainly social security funds, and the current surpluses of State and local governments. Governmental accumulations are classified separately, although they derive originally, of course, from gross incomes received by individuals and businesses, part of which is returned to the Government through the medium of tax or other payments.

A comparison of the two sides of the chart indicates that during the fiscal year the Federal Government purchased about 45 percent of the gross national product, although Federal taxes absorbed only about 12 percent of the total income generated.[1] The difference

[1] These percentages differ very slightly from those shown in the table on p. 2 to the minor extent that Federal expenditures differ from Federal purchases of goods and services and that Federal receipts differ from net Federal taxes received from the income stream.

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between these two figures, or about one-third of the value of total output or income, was a deficiency which had to be covered by Federal borrowing. The chart shows that this deficiency was matched by the sum total of the liquid savings and accumulations in the rest of the economy. In other words, private businesses and individuals, and State and local governments received 55 percent of current output but retained 88 percent of total income. The 33 percent discrepancy represented their liquid savings and accumulations.

The relationship between the Federal deficit and total current liquid savings and accumulations is a benchmark in the data under discussion. Estimates of total production, national income, and related data, however well prepared, must remain estimates because of the difficulty of calculating precisely the amounts involved. The Federal deficit, however, is a known figure, so that the size of total private liquid savings and accumulations being made in the Nation during any given period can be told with certainty. A number of minor adjustments are necessary, but the magnitude is firmly established.

NET ABSORPTION OF FEDERAL SECURITIES BY INVESTOR CLASSES

The following table shows the estimated absorption of increases in the public debt attributable to each of the major classes of investors during the fiscal year 1943, as well as during the two preceding fiscal years. Securities guaranteed by the Government are included.

Estimated absorption of the increase in direct and guaranteed interest-bearing debt, fiscal years 1941, 1942, and 1943

[Estimates of Treasury Department]

Class of investor	1941	1942	1943
	Billions of dollars		
I. Estimated absorption of the increase by:			
A. Nonbank sources:			
1. Individuals (including partnerships, personal trust accounts, and unincorporated businesses)	1.8	6.9	12.3
2. Insurance companies	.5	2.0	3.8
3. Mutual savings banks	.3	.5	1.4
4. Other corporations and associations	(*)	3.4	10.6
5. Federal agencies and trust funds	1.4	2.1	3.7
6. State and local governments	.1	.2	.7
7. Total for nonbank sources	4.1	15.1	32.5
B. Bank sources:			
1. Commercial banks	3.1	6.2	25.9
2. Federal Reserve Banks	−.3	.5	4.6
3. Total for bank sources	2.8	6.7	30.5
C. Total	6.9	21.8	63.0

Footnotes at end of table.

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Estimated absorption of the increase in direct and guaranteed interest-bearing debt, fiscal years 1941, 1942, and 1943—Continued

Class of investor	1941	1942	1943
	Percent of total		
11. Percent of increase absorbed by:			
A. Nonbank sources:			
1. Individuals (including partnerships, personal trust accounts, and unincorporated businesses)	26	32	20
2. Insurance companies	7	9	6
3. Mutual savings banks	4	2	2
4. Other corporations and associations	(*)	16	17
5. Federal agencies and trust funds	20	10	6
6. State and local governments	1	1	1
7. Total for nonbank sources	59	69	52
B. Bank sources:			
1. Commercial banks	45	28	41
2. Federal Reserve Banks	−4	2	7
3. Total for bank sources	41	31	48
C. Total	100	100	100

NOTE.—Figures are rounded and will not necessarily add to totals.

*Less than $50 millions or 0.5 percent.

The figures given in the table show that the increase in debt during the fiscal year 1943 was more than nine times that in the fiscal year 1941. Nonbank investors made very sharp increases in the aggregate amounts of their net acquisitions of Federal securities during the fiscal years 1942 and 1943, a development which was highly significant in view of the importance of nonbank financing in the control of inflation. It will be noted, however, that the net absorption of $32.5 billions of Federal securities by nonbank investors in 1943 represented a somewhat smaller percentage of the total increase in the debt than was attributable to this group in either 1942 or 1941. The smaller proportion accounted for by nonbank investors during 1943, however, was due largely to the fact that the working balance of the Treasury was increased during that year through additional borrowing from commercial banks, in order to bring it up to a level more consistent with the greater cash requirements of the war program.

The table shows that individuals absorbed $12.3 billions or 20 percent of the $63 billions increase in the debt during the fiscal year 1943. In the preceding fiscal year, when the increase in the debt was only about one-third as much as in 1943, individuals absorbed $6.9 billions, or 32 percent. Net acquisitions by this group during the fiscal year 1941 amounted to $1.8 billions, or 26 percent of the total debt increase of $6.9 billions during that year.

Other nonbank investors are shown to have absorbed $20.1 billions of Federal securities during the fiscal year 1943, over twice as much as the net absorption attributable to these investors in 1942, and about nine times as much as was absorbed by nonbank investors other than individuals in the fiscal year 1941. While all of the nonbank investor classes made substantial additions to their holdings of Federal securi-

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ties during 1943, "other corporations and associations" are shown to have increased their net purchases by the largest amounts. This development was due mainly to the accumulation of corporate funds which would normally have been invested in plant, equipment, or inventories, as noted previously.

Despite these large increases in the amount of Government securities absorbed by nonbank investors, however, the magnitude of borrowing operations has increased so sharply that the proportion of Government securities absorbed by commercial banks went to 41 percent in the fiscal year 1943, from 28 percent in the previous year. During the same period the absorption by Federal Reserve Banks increased from 2 to 7 percent, so that bank sources accounted for about 48 percent of the increase in the debt during the fiscal year 1943, as compared with 31 percent the previous year, and 41 percent in the fiscal year 1941. As has been indicated earlier in this report, however, part of the bank borrowing was for the purpose of increasing the working balance; and steps were taken during the fiscal year to effect a progressive increase in the proportion of borrowing from nonbank investors and a progressive decrease in the proportion from bank sources.

In the paragraphs which follow, the amounts of liquid savings and accumulations which have been absorbed by purchases of Federal securities during the fiscal year 1943 are analyzed in more detail. The figures on liquid savings and accumulations are taken from the discussion in the preceding section.

1. *Individuals.*—Liquid savings of individuals (including partnerships, personal trust accounts, and unincorporated businesses) amounted to $32.5 billions in the fiscal year 1943, as was pointed out previously. The table on page 74 shows the liquid savings which were made by individuals during the fiscal year, by 6-month periods. The total was divided between $16.3 billions in the first half of the year and $16.1 billions in the second half. The table indicates how much of the available funds went into private life insurance, savings accounts, and repayment of debt, respectively, in each period. Together, these last mentioned items accounted for $7.9 billions for the full year, leaving $24.6 billions available for other purposes. A large part of this sum was available for the purchase of Federal securities, although a considerable part of it undoubtedly was needed for larger balances of currency and checking accounts associated with the higher level of business which developed during the fiscal year.

The lower part of the table shows the amounts which individuals are estimated to have placed in Federal securities. Gross purchases of securities from the Treasury are listed first, divided between purchases made in war loan drives and those made otherwise. Allowance is then made for replacements to cover liquidations of securities by this group of investors. These liquidations include securities which

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matured during the period, securities which were redeemed by their holders, and securities which were sold in the market to other investors. The net absorption of securities is shown at $5.7 billions for the first half of the fiscal year and $6.6 billions for the second half, or a total of $12.3 billions for the full year. It is clear that the sales program for individuals improved in effectiveness as the year progressed. Most of the available funds which were not invested in Federal securities were placed in currency and checking accounts.

Individuals: [1] *Liquid savings made and Federal securities absorbed, fiscal year 1943*

[In billions of dollars. Based on estimates of Commerce Department, Securities and Exchange Commission, and Treasury Department]

Item	First half	Second half	Full year
Liquid savings of individuals	16.3	16.1	32.5
Less:			
Private life insurance	1.3	1.6	2.9
Mutual savings bank accounts	.3	.5	.7
Time deposits in commercial banks [2]	.8	1.2	2.1
Debt repayment	1.1	1.1	2.2
Total	3.5	4.4	7.9
Equals: Other liquid savings of individuals	12.9	11.7	24.6
Amounts invested in Federal securities:			
Purchased directly from the Treasury:			
During war loan drives	1.6	3.3	4.9
Other	4.5	4.7	9.2
Total	6.1	8.0	14.0
Less: Replacements for cash maturities, redemptions, and market sales	.4	1.3	1.7
Equals: Net amount invested in Federal securities	5.7	6.6	12.3

NOTE.—Figures are rounded to nearest tenth of a billion and will not necessarily add to totals.

[1] Including partnerships, personal trust accounts, and unincorporated businesses.
[2] All increases in the aggregate amount of time deposits assigned to individuals and corporations as a group have been allocated to individuals.

2. *Insurance companies and mutual savings banks.*—Life insurance companies received an estimated $2.9 billions net in new liquid savings of individuals during the fiscal year, as noted above. This amount represented the net increase in individual equity in life insurance, according to estimates of the Securities and Exchange Commission. Similar figures were not available for property insurance companies, although the amount involved was negligible. Mutual savings banks received $0.7 billion of liquid savings of individuals during the year.

The table on page 75 shows the liquid savings of individuals received by life insurance companies and by mutual savings banks during the fiscal year and presents also estimates of the net absorption of Federal securities by insurance companies and mutual savings banks during the year.

It will be noted that the net absorption of Federal securities by all insurance companies amounted to $3.8 billions, as compared with $2.9 billions of liquid savings of individuals received by life insurance

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companies. The difference consisted of purchases made by property insurance companies, and purchases made by life insurance companies representing the investment of funds received from the liquidation of other assets such as securities or loans held.

Net absorption of Federal securities by mutual savings banks is estimated at $1.4 billions, double the amount of the liquid savings of individuals received by these organizations. The extra funds represented the conversion of other assets to Federal securities by this group of investors.

Insurance companies and mutual savings banks: Liquid savings received and Federal securities absorbed, fiscal year 1943

[In billions of dollars. Based on estimates of Securities and Exchange Commission and Treasury Department]

Item	Insurance companies	Mutual savings banks
Liquid savings of individuals received	[1] 2.9	0.7
Amounts invested in Federal securities:		
Purchased directly from the Treasury:		
During war loan drives	4.1	1.8
Other	1.3	.7
Total	5.4	2.5
Less: Replacements for cash maturities, redemptions, and market sales	1.6	1.1
Equals: Net amount invested in Federal securities	3.8	1.4

[1] Represents liquid savings of individuals received by life insurance companies only; figures are not available for savings received by property insurance companies, but the amount is negligible.

3. *Other corporations and associations.*—The table below shows the current liquid accumulations of corporations and the amount of Federal securities absorbed by "other corporations and associations." It is estimated that liquid accumulations of corporations amounted to $16.6 billions during the fiscal year. No figures are shown for liquid accumulations of associations because of lack of data, but the aggregate amount is small.

It will be noted that the net amount invested in Federal securities by "other corporations and associations" is estimated at $10.6 billions, equivalent to about two-thirds of the total liquid accumulations of corporations during the period. The difference between total liquid accumulations and purchases of Federal securities reflects several factors. First, a small part of the liquid accumulations of corporations represented unspent reserves of unincorporated businesses, which have not been classified separately for lack of data. Second, corporations utilized some of their new liquid accumulations to retire debt during the year. Third, a part of new corporate funds was used to enlarge working capital. These factors were only offset to a minor degree by the fact that purchases of securities by associations were included in the figures for Federal securities acquired.

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Other corporations and associations: [1] *Liquid accumulations and purchases of Federal securities, fiscal year 1943*

[In billions of dollars. Based on estimates of Commerce Department and Treasury Department]

Item	Amount
Liquid accumulations of corporations	16.6
Amounts invested in Federal securities:	
Purchased directly from the Treasury:	
During war loan drives	9.2
Other	10.0
Total	19.2
Less: Replacements for cash maturities, redemptions, and market sales	8.6
Equals: Net amount invested in Federal securities	10.6

[1] Including dealers and brokers.

4. *Governmental accounts.*—This group of investors includes Federal agencies and trust funds and State and local government investment accounts of various kinds. It has been previously noted that liquid accumulations in governmental accounts are estimated at $5.3 billions for the fiscal year. As shown in the table below, these consisted of $3.0 billions of accumulations in Federal trust funds, such as social security funds, and $2.2 billions of liquid surpluses of State and local governments. Federal agencies and trust funds are estimated to have absorbed $3.7 billions of Federal securities during the fiscal year, as compared with $3.0 billions of accumulations in Federal trust funds. The extra funds invested represented mainly the investment by Federal agencies of funds made available through the liquidation of other assets, primarily loans outstanding.

State and local governments acquired $0.7 billion of Federal securities during the fiscal year, although their surpluses aggregated $2.2 billions. A large part of the surpluses was used to retire outstanding State and local securities.

Governmental accounts: Liquid accumulations and purchases of Federal securities, fiscal year 1943

[In billions of dollars. Estimates of Commerce Department and Treasury Department]

Item	Federal agencies and trust funds	State and local governments
Accumulations in Federal trust funds	3.0	
Liquid surpluses of State and local governments		2.2
Amounts invested in Federal securities:		
Purchased directly from the Treasury: [1]		
During war loan drives	.7	.7
Other	3.2	(*)
Total	3.9	.7
Less: Replacements for cash maturities, redemptions, and market sales	.2	(*)
Equals: Net amount invested in Federal securities	3.7	.7

*Less than $50 millions.

[1] Special issues to Federal agencies and trust funds are included with purchases on the basis of *net* changes in amounts outstanding.

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5. *Bank sources.*—During the fiscal year the interest-bearing direct and guaranteed debt of the Federal Government increased by $63.0 billions. It is estimated that a total of $32.5 billions of this increase was absorbed by nonbank investors, as shown in the preceding tables. This leaves $30.5 billions to be accounted for by bank sources.

The following table shows the amount of securities which were absorbed by commercial banks and Federal Reserve Banks during the fiscal year. Commercial banks are estimated to have acquired $25.9 billions of Federal securities, most of which were obtained on direct purchase from the Treasury. Federal Reserve Banks acquired $4.6 billions, all in the open market. These acquisitions were made primarily for the purpose of providing currency and bank reserves.

Commercial banks and Federal Reserve Banks: Federal securities absorbed, fiscal year 1943

[In billions of dollars. Data from Federal Reserve System and Treasury Department estimates]

Item	Commercial banks	Federal Reserve Banks
Amounts invested in Federal securities:[1]		
Purchased directly from the Treasury:		
During war loan drives	10.2	----------
Other	14.4	----------
Total	24.6	----------
Plus: Excess of market purchases over replacements for cash maturities and redemptions	1.3	4.6
Equals: Net amount invested in Federal securities	25.9	4.6

[1] Treasury bills are included on the basis of *net* changes in amounts acquired either directly from the Treasury or in the market.

POLICY WITH RESPECT TO BANK BORROWING

The Treasury's position with respect to borrowing from banks was stated in an address by the Under Secretary of the Treasury before the Investment Bankers Association of America on October 19, 1942. The Under Secretary said in part:

. . . I have tried to emphasize that it is our firm belief in the Treasury that we should borrow from commercial banks only on a residual basis—that is, to resort to the commercial banks only after every effort has been made to finance the deficit from other sources . . .

We must recognize that the commercial banks will be called upon to finance a large share of the deficit—in fact, a share of unprecedented magnitude. In the months—perhaps years—to come, it is important that the banks preserve a maximum of liquidity. To help them to do so, we have decided that securities sold to the banks should have a range of maturities running from 3 months, in the case of Treasury bills, to 10 years, in the case of Treasury bonds . . .

In securities of over 1-year maturity, we have continued to offer the banks Treasury notes, and Treasury bonds with a term of not over 10 years. This means a maximum interest rate of 2 percent on Treasury bonds sold to commercial banks.

It may seem at times that banks are being discriminated against in not being permitted to subscribe for longer-term securities which bear higher interest rates than 2 percent; but this is not the case. The Government would certainly be doing the banks no favor if it permitted them to load themselves with long-term issues. You may recall that the report of the Economic Policy Commission of the

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American Bankers Association, issued last April, concluded that securities sold to banks should be limited to a 10-year maturity. I think all of you will agree that a frozen banking system trying to become unfrozen after the war by selling long-term Government securities might create a bad situation.

It should also be noted that a large part of the securities which will be bought by banks will be financed by increases in deposits for the banking system as a whole. It seems reasonable that the interest rate on securities financed in this manner should be kept down to a maximum of 2 percent—regardless of the maturities involved—because the costs incurred by the banks in making loans direct to the Government, and in handling the increased deposits resulting from these loans, are small. Furthermore, from the point of view of the cost of financing the war, interest rates should be kept as low as is compatible with the objective of financing the war as much as possible outside of commercial banks.

. . . To the extent, however, that we must resort to the commercial banks, it is imperative that interest rates be kept at prevailing levels and that the maximum of liquidity be preserved . . .

(The full text appears as exhibit 76, p. 390.)

The following is a brief summary of legislation enacted by Congress and steps taken by the Treasury Department and other governmental agencies during the fiscal year in order to define the relationship of the commercial banks to Government financing and to assure the smooth working of the money market.

1. Congress amended the Federal Reserve Act, by Public Law 656, approved July 7, 1942, to permit the Board of Governors of the Federal Reserve System to change the reserve requirements for member banks in central reserve cities, reserve cities, and elsewhere, independently of changes in reserve requirements for banks in the reserve classifications other than the one affected by the particular regulation. Such changes are limited to the maximum and minimum reserve requirements for each class of bank as already defined in the Federal Reserve Act. The same amendment eliminated the provision hitherto contained in the act that no member bank should make a new loan or pay a dividend while its reserves were deficient. Under this amendment the Board of Governors ordered three successive reductions of 2 percent each in the reserve requirements applicable to banks in central reserve cities, effective August 20, September 14, and October 3, 1942, thus reducing those reserve requirements to the level of existing requirements for banks in reserve cities. According to Federal Reserve estimates this action resulted in the aggregate release of approximately $1.2 billions of member bank reserves at the times when reserve requirements were reduced.

2. On August 7, 1942, the Federal Open Market Committee supplemented its directive of April 30, 1942, to the Federal Reserve Banks that they should purchase all Treasury bills offered to them at a discount rate of ⅜ of 1 percent per annum, by providing that any such purchases, if desired by the seller, should be made on the condition that the Federal Reserve Bank, upon request of the seller, would sell to him an equal amount of Treasury bills of the same series at the same rate of discount. In addition, during October 1942, discount rates on

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advances by Federal Reserve Banks to member banks, secured by Government obligations maturing or callable within one year, were reduced by all Federal Reserve Banks to ½ of 1 percent.

3. The Comptroller of the Currency, the Federal Deposit Insurance Corporation, the Board of Governors of the Federal Reserve System, and the Executive Committee of the National Association of Supervisors of State Banks issued on November 23, 1942, a joint statement of policy. It was announced that banks would not be subject to criticism by examiners on account of investments in Government securities of any type except those made specifically ineligible for bank investment, and that no deterrents would be placed in the way of such investments. It was also stated that banks would not be subject to criticism for availing themselves of the facilities of the Federal Reserve Banks to borrow or to sell Treasury bills for the purpose of restoring their reserve positions. The statement, moreover, declared that examining authorities would have no objection to loans by banks to investors to enable the borrowers to purchase Government securities in anticipation of income, provided such loans were on a short-term or amortized basis and were fully repaid within 6 months. (See exhibit 42, p. 340.)

4. By an act approved April 13, 1943, United States Government deposits arising out of the purchase of Government securities by or through commercial banks (commonly known as war loan deposits) were excluded from the definition of deposits for the purpose of determining the assessment basis for deposit insurance until 6 months after the termination of the war; and, for the same period of time, the reserve requirement against such war loan deposits was suspended. (See exhibit 64, p. 367.) This legislation tends to ease the strain on bank reserves incident to the transfer of funds on account of subscriptions to Government securities and otherwise to facilitate such subscriptions. The effect upon bank reserves of the initial payment for securities purchased through war loan account is, in the case of a bank's own subscription, an increase of deposits unaccompanied by an increase in the amount of reserve required; and, in the case of a subscription entered for a customer, a transfer of a deposit from an account requiring a reserve to one against which no reserve is required, and thus increases excess reserves. Excess reserves are reduced only gradually as the proceeds of the loan are spent by the Government and returned to the banks as private deposits.

5. On May 6, 1943, as previously noted, the Treasury Department announced that beginning with the offering of Treasury bills to be dated May 12, in addition to the customary competitive tenders, tenders in an amount not exceeding $100,000 from any one subscriber would be received on a fixed price basis and allotted in full. The

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purpose of this change in procedure was to increase the attractiveness of short-term Treasury securities to investors, particularly the smaller commercial banks not acquainted with the competitive tender technique.

In addition to the specific measures just outlined, it was the policy of the Treasury Department during the fiscal year to concentrate the increase in the debt absorbed by banks in short-term instruments, particularly bills and certificates, and to secure as wide a distribution of such instruments as possible among banking institutions in order to increase the fluidity of the short-term money market and to provide banks with a convenient method of adjusting their reserve positions promptly to changes in their deposit liabilities. The following table, showing the estimated holdings of Treasury bills and certificates of indebtedness on June 30, 1942, and June 30, 1943, indicates the extent to which this distribution was effected during the fiscal year.

Class of holder	Treasury bills		Certificates of indebtedness	
	June 30, 1942	June 30, 1943	June 30, 1942	June 30, 1943
	Millions of dollars			
Commercial banks:				
New York City	433	2,156	698	2,920
Chicago	375	532	203	887
All others	769	4,059	1,118	6,662
Subtotal	1,577	6,747	2,019	10,469
Federal Reserve Banks	243	3,815	66	1,092
Mutual savings banks	28	21	74	184
Insurance companies	91	154	191	305
Government agencies and trust funds		11	11	51
All others	569	1,116	735	4,460
Total amount outstanding	2,508	11,864	3,096	16,561

NOTE.—The holdings of the various classes of investors are estimates derived from reports of the Federal Deposit Insurance Corporation, the Board of Governors of the Federal Reserve System, and the Treasury Department. They differ, therefore, from the holdings by banks and insurance companies, shown in table 96 of this report, which are from the Treasury Survey of the Holdings of United States Government Securities, because the Survey does not include all the banks and insurance companies in the country.

As a result of the establishment by the Federal Reserve Banks of the posted buying rate for Treasury bills previously mentioned, commercial banks—especially those in the larger centers—have come increasingly to regard their holdings of Treasury bills as a type of excess reserves and to use them for the adjustment of their day-to-day reserve positions. Treasury certificates also, while not as convenient to use for the day-to-day adjustment of reserve positions as Treasury bills, constitute a highly liquid type of secondary reserve. The increase during the year in the outstanding amount of bills and certificates, and of commercial bank holdings of these securities as shown in the above table, contributed materially, therefore, to the ease in the money market which prevailed throughout the fiscal year.

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GENERAL FUND

The General Fund includes all moneys of the Government deposited with and held by the Treasurer of the United States, including the moneys covered into the Treasury which can be withdrawn only in pursuance of an appropriation by Congress. Every receipt of the Treasury, from whatever source and every expenditure, of whatever nature, affect either the assets or liabilities, or both, of the General Fund shown in the daily statement of the Treasury. The total amount of the assets over and above the total amount of the liabilities represents the balance in the General Fund available to meet Government expenditures for general, special, and trust accounts, etc.

The assets in the General Fund consist of gold, silver, currency, coin, unclassified collection items, etc., and deposits to the credit of the Treasurer of the United States and other Government officers in Federal Reserve Banks, special depositaries account of sales of Government securities, national and other bank depositaries, foreign depositaries, and in the treasury of the Philippine Islands.

The liabilities of the General Fund consist of outstanding Treasurer's checks, deposits of certain Government officers composed of balances to the credit of the Post Office Department, the Board of Trustees of the Postal Savings System, and postmasters, clerks of courts, disbursing officers, etc., and uncollected items, exchanges, etc.

The balance in the General Fund is classified according to increment on gold, seigniorage, and working balance.

The net change in the balance of the General Fund from the beginning to the close of the fiscal year is accounted for as follows:

Analysis of the change in the General Fund balance between June 30, 1942, and June 30, 1943

[On basis of daily Treasury statements, see p. 459. For a description of accounts through which Treasury transactions are effected, see p. 460]

Balance June 30, 1942			$2,991,147,215.77
Add:			
Receipts, net [1], general and special accounts			22,281,642,709.24
Receipts, trust accounts, increment on gold, etc.			3,926,252,842.21
Net increase in gross public debt			64,273,645,213.68
			93,472,687,980.90
Deduct:			
Expenditures, general and special accounts	$78,182,348,640.87		
Less statutory debt retirements (sinking fund, etc.)	3,463,400.00		
		$78,178,885,240.87	
Expenditures, trust accounts, increment on gold, etc.		5,787,236,813.97	
			83,966,122,054.84
Balance June 30, 1943			9,506,565,926.06

[1] Exclusive of employment taxes collected and deposited as provided under sec. 201 (a) of the Social Security Act Amendments of 1939 less reimbursements to the General Fund for administrative expenses. Such net amount is included in "Trust accounts, increment on gold, etc." on the following line.

A comparative analysis of the assets and liabilities and the balance of the General Fund is shown for the beginning and close of the fiscal year in the table on page 666 of this report.

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TAXATION DEVELOPMENTS

During the fiscal year 1943 two major tax measures became law, the Revenue Act of 1942, approved October 21, 1942, and the Current Tax Payment Act of 1943, approved June 9, 1943. Developments relative to each of these acts are discussed by first indicating the Treasury proposals and then describing the major features of the act as follows: (1) Treasury proposals submitted in connection with the Revenue Act of 1942, (2) major features of the Revenue Act of 1942, (3) Treasury proposals for current tax payment, and (4) major features of the Current Tax Payment Act. A summary of other revenue laws enacted during the fiscal year 1943 is set forth in a fifth subsection of this section starting on page 111 of this report.

A. Treasury proposals submitted in connection with the Revenue Act of 1942

I. *Introduction.*—Less than one month after Pearl Harbor the President issued his Budget Message for the fiscal year 1943. The message estimated expenditures for the year at $59 billions and recommended $7 billions of additional revenue from taxes together with $2 billions from social security contributions. The increase in social security contributions was recommended to finance the expansion in coverage and the increase in benefits, which the President had urged upon Congress in previous budget messages. Methods for raising the amounts recommended by the President were outlined by the Secretary of the Treasury to the Committee on Ways and Means at public hearings. (The statement appears in the annual report for 1942 on page 362. See also exhibit 79 on page 396 of this report.)

Subsequently it became evident that the demands of war would exceed the original estimate of $59 billions for the fiscal year 1943 and the estimates were revised by the Bureau of the Budget on April 24, 1942, and again on October 7, 1942. The April estimate revised the figure for Federal expenditures for the fiscal year 1943 upwards from $59 billions to $73 billions and the October estimate further increased the figure to $80 billions. In connection with each of these revisions, the Treasury presented recommendations for further increases in tax revenues. On May 6, 1942, the Secretary wrote to the Chairman of the Ways and Means Committee suggesting that an additional $1.1 billions of revenue should be raised from the individual income tax by lowering the exemptions. This suggestion brought the additional revenue of the 1942 tax program to $8.7 billions. In a statement to the Senate Finance Committee on September 3, 1942, the Secretary asked for an additional $6.5 billions from a spendings tax, combined with a further lowering of personal exemptions under the individual income tax, bringing the total additional revenue of the tax program to $15.2 billions. (See exhibit 81, p. 410.)

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As the war progressed, it became increasingly evident that the increase in Federal expenditures alone would not constitute a sufficient guide to Federal revenue needs. The rapid increase in Government expenditures and the rapid increase in income payments to individuals were not accompanied by an increase in the aggregate supply of goods and services available for civilian consumption. The sharp rise in production for military purposes caused a reduction in some branches of civilian supplies and stopped the growth in others. In view of these trends the Treasury took the position that an expanding revenue program was needed to help control inflation.

Accompanying the need for greatly increased revenue the Treasury emphasized a further need governing our wartime fiscal program. This was the need for holding fast to the basic principle of our tax system that taxes should be fair and non-discriminatory and imposed in accordance with ability to pay. The proposed additional taxes were selected so as to conform as closely as possible to these objectives. Moreover, the tax laws were carefully reexamined with a view to suggesting the removal of inequities which would be considered intolerable under the burden of wartime revenue requirements.

The revenue recommendations for 1942 by major classes of taxes are summarized below.

Increase over yield of existing law [1]

		In millions of dollars
I. Original recommendation Mar. 3, 1942:		
Individual income tax		3,200
Corporation taxes		3,060
Estate and gift taxes		330
Excise taxes		1,340
Removal of special privileges:		
Exemption from income and profits taxes with respect to interest from all State and local governmental obligations	200	
Percentage depletion	80	
Mandatory joint returns	300	
Other, approximately	100	
		680
Total		8,610
Less allowance for interrelated effects, approximately		1,000
Approximate increase in revenue from proposed tax program		7,610
II. Reduction in exemptions under individual income tax suggested May 6, 1942		1,100
III. Spendings tax and further reduction in individual income tax exemptions recommended Sept. 3, 1942		6,500
Grand total		15,200

[1] For a full year of operation.

II. *Individual income tax.*—On March 3, 1942, in presenting initial recommendations for $7.6 billions of additional revenue, it was suggested that $3.2 billions, or approximately 40 percent of the total, be raised by increasing rates under the individual income tax. Subsequently, when it was recommended that personal exemptions under the individual income tax be lowered to raise an additional $1.1 billions, the additional revenue proposed from the individual income tax was increased to $4.3 billions, or nearly 50 percent of the total of $8.7 billions.

In placing emphasis upon the individual income tax the Treasury took into consideration both tax equity and the need for taxes to

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help avert inflation. Together with other agencies it had undertaken studies of the magnitude of the inflationary problem and the relation of that problem to the amount and kind of taxes that should be imposed. The individual income tax appeared to be one of the most desirable means of withdrawing purchasing power from income recipients without directly increasing prices and the cost of living, and thus of accomplishing the primary objective of anti-inflationary taxation. Moreover, through collection at source, the individual income tax offered the flexibility necessary for adjustments to changing tax needs as they are affected by changing economic conditions. The individual income tax was emphasized as a source of additional revenue also because it could be adjusted to differences in income and family responsibility, thus adhering to the principle of ability to pay in financing the war.

1. Rate Changes.

The Treasury proposed no increase in the normal tax rate. Increases in surtax rates were proposed for all brackets. In order to make the progression in rates more gradual at the lower end of the income scale, it was suggested that the first bracket of surtax income, 0–$2,000, be divided into $500 brackets and that the $2,000–$4,000 bracket be divided into $1,000 brackets. Under this suggestion the surtax rates on the first $500 of surtax income were to be increased from 6 percent to 12 percent. Above this point the proposed increases in surtax rates were larger. The maximum increase was 21 percentage points on surtax net income of $100,000–$150,000.

2. Reduction in Exemptions.

In making its original recommendations to the Ways and Means Committee the Treasury indicated that the revenue necessary to combat inflation should be raised if possible without lowering personal exemptions under the income tax. It pointed out that those with incomes below the existing exemptions were having great difficulty under the increased cost of living and also were bearing a heavy burden of indirect taxes. It therefore stressed the desirability of raising as much revenue as possible from those enjoying higher incomes before imposing heavier taxes on the great mass of taxpayers.

As a result of increasing revenue needs and the growing inflationary pressure, the Treasury considered it necessary to broaden the individual income tax and recommended on May 6, 1942, that the personal exemptions be lowered to produce additional revenue of $1.1 billions. It was estimated that the reduction of exemptions to $600 for single persons, $1,200 for married persons and $300 for each dependent would increase the number of income recipients subject to income tax by approximately 20 percent and increase the tax base by more than 25 percent.

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3. Collection at Source.

In order to adapt the individual income tax to wartime needs the Treasury proposed adoption of collection at source. A more convenient method of payment was needed to adapt the income tax to the weekly and monthly budgets of the millions of wage earners and other income recipients not accustomed to yearly budgeting and to liquidate tax liabilities while income was being earned. With the elimination of the lag of tax collections behind changes in incomes or tax rates, the income tax could be adjusted to promote economic stability more effectively both in periods of inflation and in periods when incomes declined and unemployment increased. Greater assurance of collection would be achieved and there would be less likelihood of a break-down of the income tax as wartime needs called for greater reliance on the individual income tax.

In the fall of 1941 the Treasury had developed a program for an additional tax of 15 percent on individual incomes above exemptions to be collected at source on wages, salaries, interest, and dividends. In November 1941, this plan was proposed informally to members of the Ways and Means Committee with a view to later formal recommendation, but the reaction was unfavorable. The need for this step was not widely recognized at that time and further action was deferred until Congress took up the revenue bill of 1942.

In presenting its recommendations for revenue legislation in 1942 to the Ways and Means Committee the Treasury strongly urged the adoption of collection at source on wages, salaries, corporation bond interest, and corporation dividends as a part of the regular income tax. Originally it was recommended that the Secretary have discretion to collect at source at a rate up to 10 percent, since it was not known how soon and to what extent it might be necessary to speed up tax collections to check inflation. Subsequently, it was suggested that the rate be fixed at 10 percent. The amount of wages and salaries subject to withholding would be the net amount after an allowance for personal exemption, credits for dependents, and deductions. It was hoped that collection at source would begin before the close of the calendar year 1942 and before the proposed increased taxes became effective. However, when it became clear that this would not be possible, a plan was submitted to ease the transition to collection at source by spreading the impact of the 10 percent over two transition years, 1943 and 1944.

Under the plan finally developed the withholding rate for 1943 was set at 5 percent and for subsequent years at 10 percent, the amount collected at source to be credited against the liability for the year in which the tax was withheld. In order to advance the payment of taxes for persons not subject to withholding, it was proposed that all taxpayers should pay as a first installment an amount equal to the

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withholding rate for the preceding year applied to the surtax net income, plus one-fourth of the remaining liability. The amount withheld at source was to be applied as a credit on the first installment. This plan was incorporated in the bill as passed by the House and with some modifications was tentatively adopted by the Senate Finance Committee.

When the urgency of current collection became even more apparent during the summer of 1942 and when the Victory tax was under consideration the Treasury recommended to the Senate Finance Committee inauguration of collection-at-source on January 1, 1943, at a rate of 15 percent of net taxable income; doubling up was to be avoided by scaling down the tax rates on 1942 income by 10 percentage points and raising the rates on 1943 income by 5 percentage points. The Treasury opposed the introduction of the Victory tax on the grounds that it would complicate unduly the individual income tax and that the use of a low flat exemption for all taxpayers, regardless of family status, would result in an inequitable distribution of the tax burden. However, provision for withholding under the individual income tax was eliminated from the bill when the Senate Finance Committee substituted collection at source under the new Victory tax.

During the consideration of collection at source the Treasury made a special survey of more than 450 employers to ascertain special problems involved and methods of meeting them. Following this survey a system was developed for wage-bracket withholding which was adopted under the Victory tax.

4. Elimination of Special Privileges.

The Treasury took the position that certain provisions in the law granting special advantages to relatively few taxpayers were intolerable in time of war. It felt that such privileges should be eliminated before imposing additional burdens on the great mass of taxpayers. The special privileges stressed with respect to the individual income tax were (1) tax-exempt securities of State and local governments and (2) separate returns by married persons. It was estimated that the elimination of these and other special privileges would result in approximately $700 millions in additional revenue. (See exhibit 79, p. 396.)

Included among the special privileges was the favorable treatment accorded capital gains and losses. It was proposed that the maximum rates on long-term gains of individuals should be increased and that long-term losses should not be permitted as a deduction against ordinary income except (in combination with short-term losses) to the extent of $1,000. However, it was suggested that long-term and short-term losses should be allowed against gains in either class and that a 5-year carry-over be allowed for both classes of losses.

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5. Relief from Special Hardships.

The Treasury recognized that some provisions in the tax laws unduly discriminated against certain taxpayers and that these discriminations as well as special privileges should be removed in order to achieve a better adjustment of the individual income tax to wartime needs. In this connection it was suggested that the option to amortize war facilities over a period of 5 years be extended to partnerships and individuals; and that the treatment of recoveries from bad debts and taxes, expenses incurred in the production of non-trade or non-business income, income accrued at decedent's death, alimony payments, and income for services rendered over a period of 5 years or more, be revised.

It was also proposed that certain special allowances and exemptions be granted. These included allowance for extraordinary medical expenses, credit for dependent children between the ages of 18–21 attending school, and a special credit where the wife or head of family was working outside the home.

6. Elimination of Earned Income Credit.

As a step toward simplification of the individual income tax it was proposed by the Treasury that the earned income credit be eliminated. The Treasury did not oppose the objective of differentiation in favor of genuine earned income. However, it took the position that for a large proportion of taxpayers the credit was not a real earned income credit since the first $3,000 of net income was considered earned net income regardless of the source, and that the value of the credit was out of all proportion to the complexities which the credit produced in the computation of the tax.

7. War Supertax.

To implement the President's proposal that no American citizen be permitted to retain a net income after taxes of more than $25,000 a year, set forth in his Message to Congress on April 27, 1942, the Treasury prepared a plan for a war supertax. The plan provided for a 100 percent tax on that part of net income after regular income tax which exceeded a personal exemption of $25,000. It was recommended that for the purpose of the supertax joint returns be made mandatory, that a personal exemption of $25,000 be allowed for each spouse, and that net income be defined to include income exempt under the regular income tax. It was suggested that certain safeguards be set up to prevent avoidance of the special tax and that certain relief provisions be included.

III. *Corporation taxes.*—In framing its corporation tax proposals, the Treasury took into consideration the fact that corporations generally were benefiting greatly from the accelerated rate of war production. The net income of corporations with positive net income had

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risen from $7.2 billions in 1939, to an estimated $15.5 billions in 1941, and was expected to reach a figure of approximately $17 billions for 1942. Although corporation taxes had been increased both in 1940 and 1941, net income after taxes for these corporations was expected to amount to $9.6 billions in 1942 as compared with $6.0 billions in 1939. In recommending that additional taxes be raised from corporations in the amount of $3 billions, the Treasury pointed out that the adoption of these recommendations would leave incorporated business in the aggregate with the same amount of income after taxes as during the years before 1940.

1. Rates.

Believing that a substantial share of the increased corporation tax should fall on excess profits, the Treasury recommended that the excess profits tax rates be increased by 15 percentage points. This would have raised the maximum rate of tax from 60 percent to 75 percent on adjusted excess profits net income in excess of $500,000. The Treasury suggested that the balance of the $3 billions in additional corporation taxes be provided by a special war surtax which would be imposed at the rate of 31 percent on corporations with incomes of more than $25,000. Since no change in the normal tax was recommended, this increase in the surtax rate would have raised the combined normal and surtax rate to 55 percent.

It was recognized that a 55 percent rate of tax might impose some hardships on corporate taxpayers in those cases where the surtax net income for the current year had fallen in comparison with income for the pre-war period. Hence, a special tax credit was recommended for corporations which had experienced such reductions in income. However, following the tentative action of the Ways and Means Committee in adopting the lower combined normal and surtax rate of 40 percent, the Treasury withdrew this recommendation.

2. Post-War Credit.

The Treasury took the position that very high top or "marginal" rates of tax might impair the incentive for maintenance of efficient and economical business operations. Furthermore, it recognized that funds would be needed by business enterprise after the war in making the transition from wartime to peacetime production. For these reasons, the Treasury suggested that in the case of any dollar of corporate profits, the receipt of which resulted in an increase of tax beyond perhaps 80 percent, the additional tax should be held by the Government to the account of the corporations and be returnable within a limited period after the war in those cases where it would be spent for new and additional capital equipment, or otherwise would be spent in the additional employment of labor.

Following the adoption by the Ways and Means Committee of a

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flat 90 percent excess profits tax rate, the Treasury recommended an unrestricted post-war refund equal to 10 percent of the excess profits tax, and a maximum effective rate limitation equal to 80 percent of surtax net income. The primary purpose of the first of these recommendations was to avoid the adverse effects of a 90 percent marginal rate of tax. In reducing the net marginal rate to 81 percent, the post-war refund was expected to preserve the interest of businessmen in additional profits. On the other hand, the maximum effective rate limitation reflected the view that effective rates of tax in excess of 80 percent of net income might constitute a serious threat to the maintenance of a high level of war production, and might deprive firms that had greatly expanded production since the base period of cash needed in financing both war production and conversion to peacetime operations.

3. Carry-Back of Losses and Unused Excess Profits Credits.

The Treasury recognized that high corporate tax rates might work extreme hardships on taxpayers with fluctuating income. Unless losses incurred in some years could be offset against income of other years, capital might actually be taxed as income. Similarly, it was believed that if a corporation had excess profits in one year and less than normal profits in a second year, it might be forced to pay excess profits taxes even though it had not earned excess profits over the 2-year period. It was therefore proposed that a carry-back of losses and unused excess profits credits be allowed. For 1943, a 1-year carry-back was suggested, for 1944 and subsequent years a 2-year carry-back. These carry-backs were recommended by the Treasury after the Senate Finance Committee had rejected its recommendations to allow certain special reserves or general reserves as deductions from current taxable income.

4. Relief Provisions.

Following the tentative adoption by the Ways and Means Committee of a flat 90 percent excess profits tax rate, the Treasury proposed that the general relief provisions be amended so as to broaden their application to cases not falling under the specific provisions of existing law and to remove certain inequities and alleviate certain hardships for which relief could not then be sought.

The relief provisions of the 1941 Revenue Act covered only those taxpayers whose base periods were unrepresentative because of some abnormal event which interrupted or diminished production or because the taxpayer had commenced business or changed the character of its business during the base period. The Treasury proposed that the right to use a constructive base period net income in lieu of actual earnings be extended to any taxpayer able to establish that its average base period net income did not provide a reasonable base

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for the measurement of excess profits credit in the taxable year. In order to obtain any benefit under the proposed amendment, the taxpayer was expected to meet at least one of four specific tests. However, the inability of any taxpayer to meet these tests was not intended to exclude it from the benefits of the amendment, if the taxpayer could satisfy the Commissioner or the Board of Tax Appeals (now The Tax Court of the United States) that its claim for relief was not inconsistent with the principles underlying the specific tests.

The Treasury further proposed that the relief afforded under section 722 should no longer be confined to the adjustment of abnormal base period net income of taxpayers electing the average earnings credit. Taxpayers currently denied the use of the earnings base because they did not commence business until after January 1, 1940, and meeting certain tests also were to be allowed to use a constructive average base period net income.

The Treasury also suggested that special relief from excess profits taxes be afforded to certain classes of taxpayers which appeared likely to be unfairly burdened by this tax. In the case of taxpayers reporting income on the installment basis or on the basis of completed contracts, it was suggested that, for purposes of the excess profits tax, income should be computed on the accrual basis and on the percentage of completion basis, respectively. These recommendations were made in order to avoid taxing as excess profits bunched income resulting from the use of these special methods of accounting.

Complete exemption from excess profits taxation was recommended for the producers of a limited number of "strategic" minerals. This proposal was made with a view to stimulating the wartime discovery and development of deposits of certain essential minerals which could not ordinarily be produced in this country in competition with foreign sources of supply.

For all industries with depletable resources, it was recognized that the increase in profits during the war might in part result from stepped-up production which would exhaust the available reserves earlier than under normal conditions. The same aggregate output over a period of years would result in more profits being taxable as excess profits if the output were concentrated in a few years than if spread over a longer period, since the aggregate excess profits tax credit for the period would vary with the number of years. It was, therefore, recommended that, in cases where the life of a mineral property was being appreciably shortened as a result of accelerated production, full or partial relief from excess profits taxation should be granted depending on the ratio of excess production to estimated reserves.

5. Removal of Special Privileges and Other Changes.

In view of the increased tax burden which corporations generally were being called upon to assume under its proposed revenue program,

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the Treasury asked for the removal of certain preferred treatment enjoyed by a limited number of taxpayers, chiefly corporations. Specifically, it was suggested (1) that the avoidance of tax permitted to the owners and operators of certain mineral properties be eliminated by discontinuing the allowance for percentage depletion, (2) that the double exclusion of tax-exempt interest permitted to life insurance companies be eliminated by reducing the reserve earnings deduction by the ratio of tax-exempt interest to investment income after other deductions, (3) that the outright exemption from taxation of mutual fire and casualty insurance companies be confined to the small, strictly mutual companies, and that the remaining fire and casualty mutual companies be taxed on the sum of their investment income and the additions to their surplus unapportioned to policyholders, and (4) that the tax avoidance potentialities of pension trusts be removed by requiring such trusts to meet stricter standards in order to be tax exempt.

In order to simplify and improve the corporation tax structure, it was also recommended that the capital stock tax and declared value excess profits tax be repealed. Among other proposals were provisions concerning the deduction for bad debts and extension of the statute of limitation governing the deduction; provision for corporations to file consolidated returns for income taxes as well as for excess profits taxes; provision for curtailment of the deductibility of non-business bad debts; and provision for the amortization of bond premiums.

IV. *Estate and gift taxes.*—The Treasury felt that revenues from estate and gift taxes had not kept pace with other taxes. The ratio of estate and gift taxes to total revenues had declined steadily since 1938. Accordingly, it was recommended that these taxes be increased to yield an additional $300 millions annually. The recommendations included substitution of a single estate tax exemption of $60,000 for the exemption of $40,000 and the insurance exclusion of $40,000, and the strengthening of provisions relating to powers of appointment, community property, and life insurance.

V. *Excise and sales taxes.*—The change from a civilian economy to an all-out war economy rendered uncertain the supply of many goods and services previously considered suitable for excise taxation. It was deemed necessary to coordinate wartime excise tax proposals insofar as practicable with rationing and price control. To effect this coordination the Treasury organized an interdepartmental committee on excise taxes. This committee operated on an informal basis and included representatives from the Office of Price Administration, the War Production Board, the Bureau of the Budget, the Staff of the Joint Committee on Internal Revenue Taxation, the Board of Governors of the Federal Reserve System, and various divisions of the Treasury Department. In addition, other Government agencies were consulted with respect to commodities and services in which they had a

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primary interest. The committee faced the problem of forecasting actions which might be taken by the war agencies affecting the supply, rationing, and price control of the articles or services. In many cases, the forecast indicated decreases in production which were so great that decreases in consumption and conservation of stocks could be accomplished only by rationing rather than the imposition of relatively high excise taxes. In some cases excise taxes high enough to induce appreciable decreases in consumption in the face of the great increases in spending power were so great that the committee members believed that announcement of the taxes would induce forward buying by dealers and consumers, thus offsetting the purpose of the high tax, namely, to conserve stocks and obtain additional revenues. Moreover, the rates of tax indicated were so sharply different from those that existed in the past that the members felt that recommendations based solely on supply and demand considerations would be impractical.

In forecasting the relationship of excise tax proposals to price control, the committee's general consideration was in terms of selective price controls rather than the subsequently inaugurated policy of general maximum price control. However, with respect to the relationship between excise taxes and price control, much consideration was given in formulating the excise tax recommendations to the effect of the taxes on the cost of production and distribution, on the index of cost of living, and on the index of prices paid by farmers. The committee believed it was undesirable to select commodities and services for excise taxation which would place undue pressure on price ceilings.

The ease of tax administration and of taxpayer compliance was given considerable weight because of the prospect of an increasing scarcity of manpower and equipment.

This interdepartmental committee considered more than 60 groups of commodities and services of which 15 were included in its excise tax recommendations. All of the 15 excise taxes recommended except two, carbonated soft drinks and candy and chewing gum, were already subject to excise taxes. The recommendations of the committee were accepted by the Treasury and were presented to the Congress. The new and additional excise taxes recommended were expected to yield $1,3 billion additional revenue.

In connection with the formulation of its revenue recommendations, the Treasury gave extensive consideration to the desirability and practicability of a general sales tax. The revenue program presented to the Ways and Means Committee included a statement strongly opposing the enactment of a sales tax.

However, anticipating the importance of the general sales tax issue, the Treasury's tax research staff devoted considerable time to the

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study of general sales tax plans suitable for the Federal Government during wartime. In addition, consultants familiar with the administration and development of the State sales taxes were obtained to assist the Treasury staff.

Some of the results of the Treasury's studies were presented to the Ways and Means Committee in a memorandum entitled "Federal Manufacturers' Wholesale and Retail Sales Taxes." This memorandum covered the three types of single-stage sales taxes and described their most important characteristics, the problems that would be encountered, the estimated number of taxpayers, and the estimated revenues under various tax rates and exemptions.

For the purpose of assisting the House Ways and Means Committee and the Senate Finance Committee in their consideration of the problems involved, the different types of sales taxes in use in the States and in certain foreign countries were examined. Investigations involving field work in seven States and in Canada were made and the results were presented to the Ways and Means Committee in executive session. A plan for a Federal retail sales tax was formulated which kept exemptions to a minimum in accordance with the basic objectives of taxing sales for consumption and not taxing sales for further production, insofar as it appeared to be administratively practicable.

Subsequently, in accordance with a request of the Senate Finance Committee, the Treasury presented to this committee in executive session a memorandum describing a possible Federal retail sales tax.

VI. *Spendings tax.*—In the late summer of 1942 fiscal and economic developments were such that stronger steps were considered necessary to help combat inflation, as well as to finance the war. Much study and many conferences had been devoted to the consideration of ways and means of doing this. Particular attention had been given to compulsory saving (as distinguished from mere compulsory lending to government), expenditure rationing, and a spendings tax. Under the spendings tax a tax penalty would be applied to expenditures for consumers' goods and services, with some possible exceptions, above exempted amounts. The exemption would depend on the number of members of the family.

After consultation and discussion with other agencies and departments regarding the choice of methods, the conclusion was reached that the spendings tax was more practicable than expenditure rationing or true compulsory savings. The restriction on spending would be elastic rather than rigid since there would be no prohibition on spending but rather a tax increasing in rate as the spending increased. This elasticity would make unnecessary many administrative determinations of special justification for spending which expenditure rationing, for example, would involve. Moreover, existing tax collection machinery could be used for administering the spendings tax.

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With exemptions set at levels recommended for adoption also under the individual income tax, substantially the same taxpayers would be covered by both taxes. This offered the possibility of using the income tax return for the spendings tax, and also of collecting part of the spendings tax in conjunction with collection of the income tax at the source.

In addition to discouraging spending, the spendings tax would withdraw substantial amounts of spending power where spending in excess of exemptions took place and thus raise revenue to help finance war expenditures.

Since the Finance Committee had under consideration at the time the revenue bill of 1942, it was decided that the spendings tax should be recommended for consideration in connection with the pending bill. Accordingly, the Secretary appeared before the Committee on September 3, 1942, and urged adoption of the spendings tax. (See exhibit 81, p. 410.) The tax recommended by the Treasury consisted of a flat rate tax plus a graduated surtax. The flat rate tax of 10 percent was to be levied on total spendings of persons reporting spendings in excess of $500 for a single person, $1,000 for a married couple, and $250 for each dependent. This tax was to be refunded after the war. The surtax was to be levied on spendings in excess of exemptions of $1,000 for a single person, $2,000 for a married couple, and $500 for each dependent. The rates proposed for the spendings surtax were graduated from 10 percent on the first $1,000 of spendings in excess of exemptions to 75 percent on spendings exceeding exemptions by more than $10,000. In order to avoid unduly harsh treatment of large families, the surtax schedule was to be applied on a per capita basis.

The proposal for the spendings tax was rejected by the Senate Finance Committee.

VII. *Social security.*—In his message of January 5, 1942, transmitting the 1943 Budget to the Congress, the President recommended additional employee and employer social security contributions sufficient to increase the social security trust funds during the fiscal year 1943 by $2 billions above the amount contemplated by the then existing law. A similar recommendation was made by the Secretary of the Treasury in his statement before the Ways and Means Committee on March 3, 1942, and again in a letter dated May 6, 1942, to the Honorable Robert L. Doughton, Chairman of the Committee, but no action was taken by the Committee. No recommendation with respect to employment taxes was made in the statement of the Secretary of the Treasury to the Senate Finance Committee on July 23, 1942.

Although the Finance Committee did not consider an increase in employment taxes, it voted to postpone for one year, until January 1,

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1944, the scheduled increase from one to two percent in the rates of contributions by employers and employees as provided under the old-age and survivors insurance system. The Secretary stated his opposition to this change and joined with the Secretary of Labor, the Director of the Budget, the Administrator of the Federal Security Agency, and the Chairman of the Social Security Board, in a letter to the President expressing the view that the change would jeopardize the financial stability of the old-age and survivors insurance system and interfere with the anticipated consideration of a more comprehensive social security program by the Congress as well as necessitate adjustments in the Government's plans for war finance and inflation control. (See exhibit 85, p. 445.) The President subsequently addressed a letter to the chairman of the Senate Finance Committee indicating the desirability of permitting the scheduled increase in the rates of contribution to become effective.

VIII. *Renegotiation of war contracts.*—At the time that the Revenue Act of 1942 was under consideration by the Senate Finance Committee, the question was raised as to the renegotiation of war contracts to recapture excessive profits received by manufacturers of war materials. A subcommittee of seven Senators, headed by Senator David I. Walsh, of Massachusetts, was appointed to explore the subject. When requested for its views, the Treasury Department took the position that since the excess profits tax affects only profits, not costs and prices, there was room for a statutory device enabling the Government to control excessive costs and prices. Such control of prices of war materials was regarded as a procurement matter rather than a revenue matter. The Department, therefore, took the position that the views of the agencies of the Government primarily concerned with the procurement of war materials should carry great weight. Although section 403 of the Sixth Supplemental National Defense Appropriations Act directed toward this problem was not believed to be fully effective, it was thought to afford a proper approach to the problem. In consequence, the Department recommended that, rather than yield to a substitute lacking effectiveness as a price or cost control measure, section 403 should be retained with perfecting amendments.

B. Major features of the Revenue Act of 1942

I. *General statement.*—The Revenue Act of 1942, which became law on October 21 of that year, sharply increased most existing taxes and introduced several new levies. It thus continued the upward trend of taxes which had been initiated during the defense period. The 1942 act also contains extensive provisions designed to distribute tax burdens equitably and to avoid hardship. Many minor loopholes were closed.

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II. *Individual income tax.*—

1. RATES.

The normal tax rate on individuals was increased from 4 percent to 6 percent. Surtax rates, which under prior law ranged from 6 percent on the first $2,000 of surtax net income to 77 percent on the portion of surtax net income exceeding $5,000,000, were revised to range from 13 percent on the first $2,000 to 82 percent on the portion of surtax net income exceeding $200,000. In addition, the Victory tax was imposed, as noted on page 98.

The rate of taxation on non-resident alien individuals not carrying on a trade or business in the United States was increased from 27½ percent to 30 percent.

2. EXEMPTIONS.

As in 1940 and 1941, the increase in rates was combined with a reduction of the personal exemptions. Exemptions were reduced from $1,500 to $1,200 for married persons and heads of families; from $750 to $500 for single persons; and from $400 to $350 for each dependent. Members of the armed forces below the rank of commissioned officers were given a special exclusion to offset the reduction in exemptions. They were permitted to exclude from gross income compensation for active service not to exceed $250 for single persons and $300 for married persons and family heads.

3. CAPITAL GAINS AND LOSSES.

The treatment of capital gains and losses underwent a thorough revision. Gains and losses from the sale of capital assets had previously been classified into three categories according to the length of the time the asset had been held. The 1942 act consolidated the three into two categories: (1) short-term gains or losses (those realized on assets held for 6 months or less) and (2) long-term gains or losses (those realized on assets held for more than 6 months). For individuals, 100 percent of short-term gains and losses is taken into account, but only 50 percent of long-term gains and losses is taken into account; either type of loss taken into account may be offset against either type of gain, and a net loss may be applied against ordinary income only up to $1,000. For corporations, both types of gains and losses are taken into account in full, but a net capital loss may not be offset against ordinary income. Both individuals and corporations are allowed a 5-year carry-over of capital losses remaining after offsets against gains or ordinary income. The maximum rate of tax on the excess of statutory net long-term gain over net short-term loss is limited to 50 percent for individuals and to 25 percent for corporations.

The Revenue Act of 1942 also changed the treatment of gains and losses on depreciable property and real property held for more than six months and used in trade or business but not includible in inven-

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tories nor held for sale to customers. Wherever gains from the sale of such property plus the gains recognized from the involuntary conversion of such property and of capital assets held for more than six months exceed losses, the gains and losses are treated as long-term capital gains and losses. However, when the losses exceed the gains, all are treated as ordinary gains and losses, with the result that the net losses are fully deductible.

4. Special Deductions.

The 1942 act introduced several new deductions from income for individuals. Probably the most important was the deduction of medical and dental expenses; such expenses in excess of 5 percent of net income (computed without regard to this deduction) were made deductible, the maximum deduction being set at $2,500 for married couples filing joint returns and $1,250 in other cases. Another provision permits the deduction of alimony payments from the income of the husband, such payments being included in the income of the wife. The deduction for State and local retail sales taxes was broadened to cover sales taxes levied on retailers as well as those levied on consumers, provided the taxes are separately stated by the seller.

5. Other Changes.

Under prior law it was required that the final return of a decedent show as income in the year of death all items accrued up to that time which had not been includible in the income of prior years. This caused a concentration of income and therefore of taxation which, but for the death, would have been spread over a period of years. To relieve this, the act provided that such items should be reported as income by the person succeeding to such items, be he executor, legatee, or heir, according to the usual rules for reporting income.

Another provision allowed a 2-year carry-back of business losses. This provision applies to both individuals and corporations and is discussed under "Corporation taxes" on page 99.

The determination of marital and dependent status for persons filing on the simplified form (Form 1040A) was changed from the last day of the taxable year to July 1 of the taxable year.

To encourage investment in the production of equipment for national defense, the Second Revenue Act of 1940 had provided that corporations might amortize in 5 years the costs incurred after June 10, 1940, for facilities necessary for national defense. The Revenue Act of 1942 moved the date back to December 31, 1939, and extended the privilege to individuals and partnerships.

Prior to 1942, the Internal Revenue Code had been interpreted as preventing the allowance of deductions for ordinary and necessary

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expenses incurred in acquiring income or handling property held for the production of income unless the expenses were incurred in a trade or business of the taxpayer. The 1942 act provided for such deductions.

III. *Victory tax.*—

1. General Statement.

As a supplement to the measures increasing the net income tax on individuals, the Congress enacted the Victory tax. This tax differed from the net income tax in that its income base was somewhat broader; a single exemption of $624 per income recipient was provided in place of varying exemptions; the rate was fixed at 5 percent (before credits); and a post-war credit, varying with family status and available currently under specified circumstances, was provided.

2. Rates.

The Victory tax was imposed at a gross rate of 5 percent for each taxable year beginning after December 31, 1942, until the close of the war. Taxpayers were granted an annual post-war credit (available currently under the conditions noted below) amounting to 40 percent of the tax or $1,000, whichever is the lesser, in the case of married persons and heads of families; 25 percent or $500, whichever is the lesser, in the case of single persons or married persons filing separate returns; and 2 percent or $100, whichever is the lesser, for each dependent. As an option to taking the refund at the end of the war, taxpayers were allowed to take the credit currently, provided that during the taxable year they had reduced their indebtedness, paid life insurance premiums, or increased their holdings of obligations of the United States in an amount equal to or greater than the allowable credit. The effect of this provision was to differentiate among taxpayers according to family status by means of a tax credit rather than by means of varying exemptions.

A limitation clause in the Victory tax law provided that the combined Victory tax, normal tax, and surtax was not to exceed 90 percent of the taxpayer's net income.

3. Exemptions.

The exemption for the Victory tax was set at $624 for each income recipient.

The effect of providing a $624 exemption to each income recipient regardless of marital status was as follows: (1) Single persons, heads of families, and married persons filing separate returns were given a $624 exemption; (2) married couples filing joint returns where each spouse had at least $624 of income were given a $1,248 exemption; (3) married couples filing joint returns where one spouse had no gross income were given a $624 exemption; and (4) married couples filing

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joint returns where both spouses had gross income but one had less than $624 were given an exemption of $624 plus the smaller of the two incomes.

4. BASE.

The base of the Victory tax was made somewhat broader than the base of the regular individual income tax, although capital gains and losses and partially tax-exempt Government bond interest were excluded from gross income. Generally speaking, the only deductions allowed from gross income were expenses incurred in trade or business or in connection with the production or collection of income. Such items as ordinary contributions, interest, and taxes not incurred in connection with the production of income, and medical expenses, were not allowed as deductions.

5. COLLECTION AT SOURCE.

An important feature of the Victory tax was the introduction of collection at the source. The act required employers to withhold the tax from wages and salaries at a rate of 5 percent of income above the Victory tax exemption. For this purpose the $624 annual exemption was prorated at the rate of $12 weekly, and corresponding amounts for other payroll periods. However, withholding was not required with respect to the remuneration of members of the armed forces, certain classes of employees not subject to social security taxes, employees of certain foreign employers, and an employee outside the United States, unless the major part of his services during the year was performed within the United States. Employers were given a choice between two methods of computing the amount to be withheld. The first method involved an exact computation of 5 percent of wages in excess of the employee's exemption of $624 a year apportioned to each payroll period. The second permitted the employer to use tables showing the amount to be withheld for different payroll periods and varying wage brackets. From these tables, the employer ascertained the amount to be withheld for each employee by locating the payroll period for which the employee was paid and the bracket into which his wages fell.

IV. *Corporation taxes.*—

1. RATES.

The normal tax on corporations was left unchanged: 15 percent to 19 percent if normal tax net income is $25,000 or less; and 24 percent if normal tax net income is over $50,000; a notch provision in the form of an alternative tax applies on incomes between $25,000 and $50,000, the income between these amounts being taxed at 31 percent. The surtax rates of 6 percent on the first $25,000 of surtax net income and 7 percent on that part of surtax net income exceeding $25,000 were revised as follows: The surtax rate was set at 10 percent where the surtax net income does not exceed $25,000 and at 16 percent where

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surtax net income exceeds $50,000; on incomes between $25,000 and $50,000 a notch provision was enacted, taxing the first $25,000 at 10 percent and the next $25,000 at 22 percent.

The excess profits tax, previously levied at rates ranging from 35 percent to 60 percent, was increased to a flat rate of 90 percent. However, a limit was placed on the excess profits tax so that, when added to the normal tax and surtax, the combined liability was not to exceed 80 percent of corporate surtax net income (unreduced by the income subject to the excess profits tax). The stated excess profits tax rate of 90 percent was reduced by a provision for a post-war refund equal to 10 percent of the excess profits tax for each taxable year. Within certain limits the taxpayer was permitted to take his post-war credit currently where there was a net reduction of the corporation's debt during the year. The effect of the credit provisions was to reduce the net rate of the excess profits tax to 81 percent where the 80 percent ceiling does not apply and approximately 72 percent where the 80 percent ceiling applies.

The rates applicable to personal holding companies were increased from 71½ percent on the first $2,000 of undistributed net income and 82½ percent on such income in excess of $2,000 to 75 and 85 percent, respectively. The rate on non-resident foreign corporations not engaged in trade or business in the United States was raised from 27½ to 30 percent.

2. Base.

The income base of the corporate normal tax and surtax was revised. The act in effect provided separate income compartments for the excess profits tax and the normal and surtax. Whereas the excess profits tax was previously deducted from net income to provide the normal tax and surtax base, the Revenue Act of 1942 provided that the income subject to the excess profits tax was to be deducted from net income to provide the normal tax and surtax base.

3. Excess Profits Credit.

In computing the excess profits credit on the basis of average base-period net income, corporations were allowed 95 percent of their average earnings in the years 1936–39. This percentage was not changed by the Revenue Act of 1942.

However, certain changes were made in the average earnings method to provide relief in hardship cases; these are discussed under "Relief," on page 101.

For corporations computing their excess profits credit by the invested capital method, the allowances were revised as follows:

Invested capital:	*Revenue Act of 1941* Percent	*Revenue Act of 1942* Percent
First $5,000,000	8	8
Next $5,000,000	7	7
Next $190,000,000	7	6
Over $200,000,000	7	5

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4. CARRY-BACK OF LOSSES AND UNUSED EXCESS PROFITS CREDITS.

The Revenue Act of 1942 provided for a 2-year carry-back of net operating losses. Allowing a taxpayer to use a net loss in 1 year to offset a profit in another was not a new device, but prior to the 1942 act the only use of this device was to permit losses for 2 preceding years to be carried forward to succeeding years. The 1942 act allowed the taxpayer to carry back the net losses to the 2 previous years, securing an adjustment in taxes for those years. Any portion not so used could be carried over to the 2 succeeding years. This privilege was extended to unused excess profits credits with respect to which a 2-year carry-forward previously had been provided.

5. RELIEF.

(a) EXCESS PROFITS TAX.

In computing the excess profits credit based on average base-period net income, it was provided that a corporation might substitute for the income of any one year in which there was a deficit, or in which the excess profits net income was less than 75 percent of the average for the remaining 3 base-period years, an amount equal to 75 percent of that average. The Revenue Act of 1942 extended the privilege of constructing an adequate base-period net income to any corporation entitled to use the income credit which can demonstrate that its excess profits tax is excessive and discriminatory because the actual earnings during the base period do not supply a proper criterion of normal earnings. The demonstration may be made by showing that unusual events such as a fire, fraud, strike, or storm affected the base period earnings; that the particular business or industry was temporarily depressed during the base period; that the industry of which the taxpayer is a member is subject to an abnormal profits cycle or sporadic profits; that the corporation began business or changed the character of its business during or immediately prior to the base period; or that any other factor occurring during the base period resulted in making base-period income an inadequate standard of normal earnings.

A corporation beginning business after December 31, 1939, and therefore otherwise required to use the invested capital credit was permitted to construct and use an average base-period earnings credit under specified conditions. It could use the earnings credit if it could demonstrate that its invested capital credit was inadequate because the corporation had assets important to its business which were not reflected in invested capital; that the business was of a character in which invested capital was not an important income producing factor; or that its invested capital was abnormally low.

Mining companies were given relief by two provisions: the first restores and expands the exemption from excess profits tax on profits

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attributable to the mining of certain strategic minerals; the second affords relief to mining and also timber companies which find that their incomes have been greatly increased since the base period by reason of accelerated production to meet war demands which will prematurely deplete their reserves, and to mining and timber companies receiving bonus payments from Federal agencies on account of over-quota production of certain depletable resources. Relief under this second provision took the form of a special deduction in computing excess profits net income.

Special treatment was accorded income received under installment contracts or other long-term contracts to avoid the bunching of income in any given year. In the case of installment contracts, under certain conditions the taxpayer was allowed to report income from installment sales on the accrual basis. With respect to long-term contracts, where specified conditions were met the taxpayer was permitted to compute income from such contracts on the percentage-of-completion method of accounting.

(b) OTHER RELIEF PROVISIONS.

Many taxpayers have lost property and investments in enemy territories as a result of the war. Among the important sections of the 1942 act was one stating practical rules for handling this problem, recognizing the losses and adjusting incomes in the event that any of the property treated as lost should later be recovered. The availability of the provision for exclusion from income of amounts attributable to discharges of indebtedness was increased; domestic corporations deriving income principally from trade or business in foreign countries within the Western Hemisphere were exempted from surtax; and public utilities were given a credit against surtax net income for dividends paid in preferred stock.

6. TAXATION OF INSURANCE COMPANIES.

The taxation of insurance companies was thoroughly explored and revised. The exemption of mutual insurance companies other than life or marine under section 101 of the Internal Revenue Code was confined to such of these companies as have yearly gross receipts of dividends, rents, and premiums (including deposits and assessments) not in excess of $75,000. Those not exempt were made liable to either a tax at ordinary corporate rates on their investment income or a tax of 1 percent on gross income from interest, dividends, rents, and net premiums minus dividends to policyholders and wholly tax-exempt interest, whichever tax is the greater. Companies having not over $75,000 of gross income and not over $3,000 of net investment income pay no tax. Reciprocal underwriters and inter-insurers are taxed only on investment income and pay no tax unless such income exceeds $50,000. Insurance companies other than life or mutual

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continue to receive substantially the same treatment as under prior law, but are specifically allowed a deduction for dividends paid to policyholders, and are allowed full deduction of certain capital losses. Mutual marine insurance companies are included under section 204. Life insurance companies, while retaining investment income as their tax base, substitute a flat percentage of investment income less tax-exempt interest as a single deduction for reserve and other policy liabilities in place of the several deductions previously allowed. The percentage represents the ratio of the aggregate policy liability deductions to the aggregate net investment income of all companies for the preceding year.

7. OTHER CHANGES. (a) CAPITAL GAINS AND LOSSES.

These changes are discussed under the heading "Individual income tax" on page 96.

(b) INVOLUNTARY LIQUIDATION OF INVENTORIES.

Taxpayers using the last-in first-out method of inventory valuation were granted special relief if war conditions made it impossible to maintain their physical inventories. Involuntary liquidation of inventories results in charging the cost of some of the inventory units held at the beginning of the year of liquidation against sales made in that year. Since taxpayers shifted over to the last-in first-out method of inventory valuation as early as 1938 in some cases, these inventory units may be considerably below current replacement costs, hence overstating current profits. To relieve these taxpayers from an overstatement of profits, it was provided that subsequent replacement of inventory units involuntarily liquidated would be treated as if made in the year of liquidation. Therefore, the costs of goods sold in the year of liquidation would be increased by the excess of replacement cost over the original cost of the liquidated inventory unit, or, if replacement cost is less than the original cost of the liquidated inventory unit, decreased by this difference.

(c) PENSION TRUSTS.

The Revenue Act of 1942 adopted almost completely revised provisions pertaining to the tax exemption and other benefits available to employees' trusts and plans. Primarily, the changes were designed to curb a hitherto growing tendency to use the pension, stock bonus or profit-sharing trust or plan as an instrument of tax avoidance. Under the prior law such trusts or plans were susceptible of being employed to avoid high surtax rates on incomes of a few highly paid stockholders or executives of corporations, by means of deferring payment of compensation to later years. Thus a misapplication was possible of a tax benefit intended to encourage sharing of profits and provision for the

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old age of employees generally. Accordingly, the 1942 amendments were addressed chiefly to prohibiting discrimination in such plans in favor of officers, stockholders, supervisory or highly paid employees. Other amendments, significant but of somewhat lesser importance, bore upon the funding provisions of such trusts and dealt also with adjusting and equalizing the comparative tax advantages as between those plans employing annuity contracts and self-insured plans operating entirely through trusts.

(d) MISCELLANEOUS.

Other important provisions of the act affecting corporations were those allowing consolidated returns for both income and excess profits taxes and the section permitting annual redeclaration of value of capital for the purpose of the capital stock and declared value excess profits tax.

V. *Estate and gift taxes.*—Under prior law there was a general exemption of $40,000 for purposes of the additional estate tax as well as a special life insurance exemption of $40,000. This discrimination in favor of one particular asset was corrected by abolition of the life insurance exemption and the enactment of a single exemption of $60,000, applicable to all decedents. The gift tax exemption was reduced from $40,000 to $30,000, and the gift tax exclusion was changed from $4,000 per donee to $3,000.

For many years powers of appointment had constituted an outstanding means for retaining practical ownership and yet avoiding the estate tax. The 1942 act severely restricted the tax saving potentialities of this device. It also amended the law as it applied to community property States so as to eliminate the discriminations in favor of such States as compared with the tax burden imposed in common law States, and clarified and strengthened the provisions requiring the inclusion of life insurance proceeds in the estate tax base. Other changes liberalized the deduction for charitable pledges and bequests and the allowance for previously taxed property, increased the benefit derived from the credit for local death taxes, and disallowed claims which do not deplete or reduce taxable assets.

VI. *Excise taxes.*—Taxes on telephone, telegraph, and cable services were increased to the following rates: Cable, radio, and telegraph dispatches or messages, 15 percent; telephone use or radio message charge exceeding 24 cents, 20 percent; leased wire, teletypewriter or talking circuit special service, 15 percent; local telephone service, 10 percent.

The excise tax on transportation of persons was increased to 10 percent and a new tax of 3 percent levied on amounts paid for the transportation of property.

Liquor taxes were increased to the following rates: Distilled spirits, $6 per gallon; liqueurs, cordials, and the like, 5 cents per half pint;

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fermented malt liquors, $7 per barrel; sparkling wines and champagne, 10 cents per half pint; artificially carbonated wine, 5 cents per half pint; wines, 14 percent alcohol or less, 10 cents per gallon; wines more than 14 percent and not exceeding 21 percent alcohol, 40 cents per gallon; wines more than 21 percent and not exceeding 24 percent alcohol, $1 per gallon.

The rate on imported perfumes containing alcohol, taxed under the distilled spirits schedule, was increased to $6 per gallon.

A graduated annual license fee to qualify manufacturers or producers of non-beverage products for drawback (rebate of part of the tax on distilled spirits when used in designated non-beverage products) was enacted at the rate of $25 where withdrawals do not exceed 25 proof gallons per year, $50 for withdrawals not exceeding 50 proof gallons per year, and $100 for withdrawals of 50 proof gallons or more per year.

The tax on lubricating oils was increased to 6 cents per gallon. The tax on cameras, lenses, and photographic equipment was increased to 25 percent. Photographic and motion-picture films, plates, and sensitized paper, except X-ray film, were taxed 15 percent.

Floor stocks taxes on distilled spirits, fermented malt liquors and wines, cigars, and cigarettes were imposed in conjunction with the increase of the excise taxes on these commodities.

Taxes on cigars were revised so that cigars weighing more than three pounds per thousand and manufactured or imported to retail at not more than 2½ cents each were subject to a tax of $2.50 per thousand; those retailing at more than 2½ cents but not more than 4 cents each, $3 per thousand; more than 4 cents and not more than 6 cents, $4 per thousand; more than 6 cents and not more than 8 cents, $7 per thousand; more than 8 cents and not more than 15 cents, $10 per thousand; more than 15 cents and not more than 20 cents, $15 per thousand; and more than 20 cents, $20 per thousand. The tax on cigarettes was increased to $8.40 per thousand on cigarettes weighing more than 3 pounds per thousand and $3.50 per thousand on cigarettes not weighing more than 3 pounds per thousand.

New stamp taxes were imposed amounting to 4 cents per dollar of premium on foreign indemnity, fidelity or surety bonds and 1 cent per dollar of premium on foreign life insurance, sickness and accident policies, annuity contracts, and policies of reinsurance.

The tax on coin-operated amusement and gaming devices was increased to $100.

Excise taxes on electrical signs, optical equipment, rubber articles, and certain washing machines were discontinued because of the war-diminished production of these articles.

VII. *Social security taxes.*—The automatic increases in social security taxes were postponed for one year.

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VIII. *Administrative procedure.*—Where individuals are outside the Americas or in the armed forces or in enemy-controlled territory, the war has made impossible the timely performance of many acts required under the revenue laws. This difficulty was recognized and rules suspending the requirements and the running of the Government's rights were included in the act.

IX. *Renegotiation of war contracts.*—As enacted, the Revenue Act of 1942 contained a final section amending section 403 of the Sixth Supplemental National Defense Appropriations Act. By virtue of this legislation, the Secretary of the Treasury was for the first time given the authority to renegotiate war contracts. Deductions and exclusions of the character allowed under the income tax and excess profits tax provisions of the Internal Revenue Code are to be recognized in determining the excessiveness of profits; a credit against excessive profits was likewise required for Federal income and excess profits taxes, which the Commissioner of Internal Revenue determines to be attributable to the excessive profits; and renegotiation was prohibited after one year from the close of the fiscal year of the contractor within which completion of the contract occurs. A more detailed discussion of renegotiation of war contracts appears on page 120.

C. Treasury proposals for current tax payment

I. *Need for current payment.*—With the passage of the 1942 Revenue Act and the great broadening of the individual income tax, the need for putting taxpayers on a current basis became more pressing than ever. Despite repeated Treasury recommendations, adoption of a withholding plan by the House, and growing public sentiment, no revision of income tax payment methods was provided in the 1942 act. Collection at the source was, however, introduced under the new Victory tax as it applied to wages and salaries.

It became more and more apparent that a tax payable in large lump sums on the income of the preceding year was not attuned to the needs of the great body of new taxpayers created by rising incomes and falling exemptions. The revision of payment methods therefore became so pressing a matter that Congress made it the subject of a separate tax bill, independent of the broader 1943 revenue program.

After intensive work on alternative methods of effecting current collection, the Treasury submitted a comprehensive statement on the problem to the House Ways and Means Committee. This statement not only analyzed the payment problem but also set forth the general principles to be followed in putting the income tax on a current payment basis. Subsequent statements to this Committee and to the Senate Finance Committee further analyzed specific plans and procedures for current payment.

Several reasons were advanced by the Treasury for urging the

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adoption of a current payment system and collection at source. The primary purpose was to gear the income tax to the budget habits and income patterns of taxpayers. The old system of equal quarterly installments was ill-adapted to the weekly and monthly budgets of millions of small income recipients, and the 1-year lag in payments threatened embarrassment or actual hardship in the case of a drop or failure in income. In addition to aiding taxpayers, current collection would protect the Government against defaults and loss of revenue and would ensure a steady flow of revenue into the Treasury. By advancing payments 1 year in a period of rising income and by prompt withdrawal of purchasing power before it could be spent, current payment would bulwark the anti-inflation program. Finally, the income tax on a current basis would become a more flexible revenue measure since statutory changes in rates and exemptions would be translated into current tax payments promptly and without retroactive application.

The Treasury suggested methods for putting various taxpayer groups on a current basis. Withholding of taxes from wages and salaries designed to put the great bulk of wage earners on a fully current basis was the core of the Treasury's suggestions. A system of quarterly income statements for current payment on incomes not subject to collection at source was also put forward. However, it was suggested that, if compliance difficulties in making taxes on higher incomes fully current were deemed too great, substantial currency for the great majority of taxpayers could be achieved by collecting currently the basic liability, that is, the total of the normal tax, the surtax at the first bracket rate, and the Victory tax.

II. *Attitude toward cancelation.*—The problem of transition from a delayed-payment to a current-payment system, which had been considered in connection with the collection-at-source proposals during 1942, became much more acute under plans designed to shift all, or substantially all, liabilities to a current basis. The Treasury recognized that concurrent collection of full 1943 and 1942 liabilities would over-burden large groups of taxpayers. Therefore, it carefully examined alternative proposals for the transition period.

The Treasury consistently opposed full cancelation of one year's tax. Its opposition was based on (1) the unfortunate effect of full forgiveness on the distribution of the tax burden, (2) the excessive relief it would offer to taxpayers in a year of record national income, and (3) the addition of forgiven taxes to inflationary pressure.

The Treasury showed that the effect of canceling one year's taxes would be to confer a gain on every taxpayer equal to his tax for such year. Such gain would be reflected in the long run in one year's less taxes to pay, and in the short run in the wiping out of a debt owed by the taxpayer and in a corresponding increase in his net worth.

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It was further shown that the gain for taxpayers in the upper brackets would be disproportionately large and that its effect would be to offset wartime tax increases for such persons. Since, under our steeply progressive tax structure, tax rate increases would necessarily fall mainly on the middle and lower income groups, the net effect of full cancelation would be to redistribute the tax burden in direct violation of the principle of ability-to-pay.

Moreover, it was felt unwise to forego taxes on the income of a record income year in the face of mounting inflation dangers and pressing revenue needs. At a time when income and saving were at the highest levels ever known, and many goods were unavailable, it was felt that complete forgiveness was excessively generous and fiscally unsound. By freeing funds which had been saved in advance for tax payments, such cancelation would also exert upward pressure on prices.

While opposing full cancelation, the Treasury recognized that some cancelation, especially in the lower brackets, would be necessary to avoid undue hardship. Although no specific plan for cancelation was presented to the congressional committees by the Treasury, the Secretary endorsed the so-called second Ways and Means Committee bill. This bill, which was not enacted, provided for the cancelation of the difference between the tax at 1941 rates and exemptions and the tax at 1942 rates and exemptions.

The cancelation plan finally adopted by the Congress differed from full cancelation only in the amount canceled. It provided, in general, for canceling three-quarters of one year's tax and therefore distributed the gains of tax cancelation much as they would have been distributed under full cancelation. The so-called anti-windfall provisions did not remove this defect. In conferring a disproportionate gain on the upper income groups the system of cancelation embodied in the Current Tax Payment Act of 1943 did not conform to the principles advocated by the Treasury.

III. *Suggestions for withholding.*—Collection at source on wages and salaries under the Victory tax served as a proving ground for the withholding principle. On the basis of this experience and taking into account the additional problems involved in withholding of the individual income tax, the Treasury outlined a suggested withholding system.

As proposed in the Treasury statement of February 2, 1943, withholding would apply at a rate sufficient to cover the normal tax, the surtax at the first bracket rate, and the Victory tax. This rate was to apply to the amount of the wage in excess of allowances representing prorated personal exemptions and average deductions. Tables indicating the combined tax to be withheld for each wage bracket according to the exemption status of the employee were developed by the Treasury to simplify the problem of employers. Amounts withheld

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were to be remitted to the Government and held for application to the individual's tax liability. At the end of the year, the taxpayer would file a return showing the final tax liability and either pay any additional amount due or claim a refund. (See exhibit 83, p. 420.)

Throughout the consideration of the revision of payment methods by the Congress, the Treasury continued its investigation of withholding methods, and on May 6, 1943, presented suggestions to the Senate Finance Committee for improvements in the procedure incorporated in the earlier bills before Congress. (See exhibit 84, p. 431.) The major proposal was for a revision of the withholding exemptions and the withholding tables in the bill as it was passed by the House. By changing the family status withholding exemptions to $312 for dependents, $624 for single persons, and $1,248 for married persons (the Victory tax exemption remaining at $624), ratios were established which made it possible to consolidate the five withholding tables for each payroll period into one table. Other suggestions were designed to expedite refunds, to ensure prompt remittance of moneys withheld, and to facilitate the work of employers in withholding. These changes were incorporated in the Current Tax Payment Act of 1943.

D. Current Tax Payment Act—major features

The Current Tax Payment Act of 1943 approved June 9, 1943, revolutionized the time and method of payment of individual income tax liabilities. In this connection it contained three major features: First, provisions for withholding of income tax at the source on wages and salaries; second, provisions requiring the filing of declarations and payment of estimated tax currently by those individual income taxpayers not made current in their tax payments through withholding; and third, provisions effecting the transition from the delayed system of income tax payments to the current payment system.

The first of these features, namely, the withholding of income taxes at the source on wages and salaries, amplified the technique introduced in the Revenue Act of 1942 with respect to the withholding of Victory tax. The Victory tax withholding provisions were repealed and for administrative convenience the new withholding provisions were incorporated in Chapter 9 of the Internal Revenue Code and were coordinated generally with those applicable to the social security tax.

The act provided that where the relationship of employer and employee exists, withholding is required at the rate of 20 percent of the amount paid to an employee over and above the employee's family status withholding exemption but at 3 percent where the wages exceed the Victory tax withholding exemption but do not exceed the family status withholding exemption. Employers were given the option of withholding the income tax on an employee's salary either through the precise calculation method or through the use of wage bracket tables

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for the various payroll periods which were set forth in the act. The act provided that withholding under the new provision should be effective with respect to all wages paid after July 1, 1943, except those wages paid during 1943 with respect to a payroll period beginning before July 1, 1943.

Certain types of wages were exempted from the requirement of withholding. The principal exceptions made by the act were: (1) Wages paid for agricultural labor as defined under the social security law; (2) remuneration for domestic service; (3) wages paid for casual labor; (4) pay for active service of members of the military and naval forces; (5) remuneration for services performed for a foreign government; (6) remuneration paid for services performed by non-resident alien individuals except for such individuals who are residents of a contiguous country and who enter and leave the United States at frequent intervals; and (7) remuneration paid for services performed as a minister of the gospel.

The act gave the Commissioner of Internal Revenue the authority to establish the rules for withholding where extraordinary situations, like overlapping pay periods, supplementary payments in the form of bonuses, commissions, and so forth, occurred. The act provided rules for the filing and amending of withholding exemption certificates by employees and the furnishing of receipts by the employer with respect to the wages withheld during any calendar year. Penalties were provided for furnishing of fraudulent receipt or failure to furnish receipts, for failure by an employer to return the tax withheld, and for wilfully supplying false or fraudulent information on the withholding exemption certificates by an employee.

Payment of income tax currently where withholding is insufficient to provide full payment of the individual's tax liability was achieved in the act by the provisions calling for annual declarations from taxpayers falling within certain income requirements. The act provided that the estimated tax shown on the declarations should be paid quarterly and that if original estimates of income and consequent tax liability proved during the year to be wrong, declarations could be amended to reflect the change in income or deductions and corresponding tax liability. Penalties were provided for failure to file declarations where required, failure to pay the estimated tax, and failure to estimate tax within the range of specified percentages of the actual tax liability. Special provisions calling for a single year-end declaration and an increased margin for error in estimation were included for the benefit of farmers. Special provisions for the filing of declarations in the transition year 1943 were made. The privilege of quarterly payment of income-tax liabilities in the year following receipt of income was eliminated except in the case of estates, trusts, and non-

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resident alien taxpayers not brought under the current-payment system.

In order to meet the problem of transition to the current-payment system and to relieve the burden on individual taxpayers of the payment of two years' taxes in one year, the act provided for cancelation of a part of the aggregate of the two years' tax liabilities of those individuals who were taxpayers both in 1942 and 1943, and who became subject to the current payment system. In effect, the provisions of the act canceled 100 percent of the lower of the tax liabilities for the years 1942 and 1943 where that liability was $50 or less, a percentage somewhat lower than 100 percent but greater than 75 percent, where the liability for the lower year was between $50 and $66.67, and 75 percent where the liability for the lower year exceeded $66.67. In certain cases where the taxpayer had a surtax net income for both 1942 and 1943 exceeding by more than $20,000 his surtax net income for the highest of the base years selected by him, 1937 to 1940, inclusive, a smaller percentage of the lower year's liability was canceled. In order further to relieve the burden on taxpayers, the act provided that the uncanceled 25 percent could be paid one-half March 15, 1944, and one-half March 15, 1945; that the portion of the tax between 75 percent of the lower year and the limit of cancelation set up in the special provisions applying to persons with greatly increased incomes in 1942 and 1943, payment could be made over the course of four years beginning in 1945.

With respect to members of the armed forces of the United States and the other United Nations the act granted a $1,500 exclusion from gross income for service pay received while in active service. It was further provided that to the extent that the 1942 tax liability was higher than the 1943 liability by reason of the inclusion of earned income in the case of a member of the armed forces the cancelation feature requiring the payment as 1943 tax of the higher of the two tax liabilities should not apply. The act also provided that the estate of a deceased member of the armed forces who died while in active service was relieved from the liability for the payment of income taxes of the deceased person which were unpaid at the time of his death.

E. Other revenue legislation

Other laws affecting the revenue were as follows:

Public Law 676, July 23, 1942, extending exemption from the admissions tax to the military and naval forces of the United Nations; and to amounts paid for admission to activities operated or controlled by the War or Navy Department exclusively for the welfare of the military or naval forces of the United States.

Public Law 706, August 24, 1942, temporarily suspending the running of existing statutes of limitation applicable to offenses involv-

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ing the defrauding or attempts to defraud the United States or any agency thereof.

Public Law 711, September 16, 1942, temporarily suspending in part the processing tax on coconut oil.

Public Law 720, September 29, 1942, increasing to 120 days the 90 days limit for which the Commissioner of Internal Revenue could grant extensions of time for the filing of returns of capital stock tax in 1942.

Public Law 727, October 2, 1942, exempting from all Federal taxes gifts or bequests or devises, or the income therefrom, to or for the benefit of the Library of Congress.

Public Law 747, October 16, 1942, adding Article VI (tax provisions) to Chapter 15 of the National Bankruptcy Act to replace corresponding provisions added by Public No. 242, approved July 28, 1939.

Public Law 790, December 5, 1942, according entry free from importation charges to gifts from members of the armed forces of the United States on duty abroad.

Public Law 797, December 11, 1942, exempting from the narcotics taxes the production, sale or transfer of opium poppies by those persons who are duly licensed to produce, sell or transfer opium poppies.

Public Law 809, December 17, 1942, extending the period for the tax-free release of powers of appointment to July 1, 1943.

Public Law 14, March 23, 1943, permitting the tax-free shipment of certain tobacco products to territories of the United States for the use of members of the armed forces of the United States.

Public Law 17, March 24, 1943, determining the extent to which services of officers and members of crews employed by the War Shipping Administration fall within the concept of employment for the purpose of employment taxes; and the extent to which compensation received by them constitutes wages for the purpose of employment taxes.

Public Law 21, March 31, 1943, extending through September 15, 1943, the time for filing claims for relief under section 722 (d) of the Internal Revenue Code.

Public Law 40, April 24, 1943, extending the bituminous coal tax on sales or other disposals until May 23, 1943.

Public Law 45, April 29, 1943, exempting payments to alien farm labor from withholding under section 143 (b), Internal Revenue Code.

Public Law 53, May 21, 1943, extending the bituminous coal tax on sales or other disposals until August 23, 1943.

Public Law 77, June 17, 1943, extending the increase in first class postage rates to July 1, 1945.

Public Law 78, June 17, 1943, clarifying the provisions relating to

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taxpayers entitled to establish ship construction reserve funds under Title V of the Merchant Marine Act, 1936, as amended, and transferring to the Maritime Commission the authority to grant extensions of time for the expenditure of such reserves.

SECURITIES OWNED BY THE UNITED STATES AND PROPRIETARY INTEREST IN GOVERNMENT CORPORATIONS AND CREDIT AGENCIES

Securities owned

On June 30, 1943, the United States owned securities consisting of capital stock, bonds, etc., of Government corporations and agencies and indebtedness to the Government by railroads, farmers, shipowners, and others, in the face amount of $10,121 millions; and obligations of foreign governments in the principal amount of $12,661 millions. A statement of the securities owned, exclusive of foreign obligations, at the end of the fiscal year 1943 is shown in the table on page 670. A summary of the holdings of securities at the end of the last two fiscal years is shown in the following table.

Summary of securities owned by the United States Government, exclusive of foreign obligations, June 30, 1942 and 1943

Security	June 30, 1942	June 30, 1943	Increase or decrease (−)
Capital stock of Government corporations	$1,827,391,580.88	$2,106,371,183.31	$278,979,602.43
Paid-in surplus of Government corporations	146,861,238.02	142,617,869.23	−4,243,368.79
Bonds and notes of Government corporations	4,078,690,945.91	7,535,144,623.79	3,456,453,677.88
Other securities [1]	1,255,665,230.72	1,271,491,781.96	15,826,551.24
Total all securities	7,308,608,995.53	11,055,625,458.29	3,747,016,462.76
Less interagency ownership:			
Capital stock	458,741,000.00	459,841,000.00	1,100,000.00
Paid-in surplus	1,000,000.00	1,000,000.00	
Other securities	380,995,925.47	473,492,576.84	92,496,651.37
Total interagency ownership	840,736,925.47	934,333,576.84	93,596,651.37
Net securities owned	6,467,872,070.06	10,121,291,881.45	3,653,419,811.39

[1] Includes loans and advances by Farm Security Administration, Rural Electrification Administration, and Public Works Administration.

In accordance with the acts approved February 24, 1938 (52 Stat. 79), and March 28, 1941 (55 Stat. 55), the Secretary of the Treasury canceled during 1943 obligations of the Reconstruction Finance Corporation amounting to $42 millions, representing expenditures previously made by the Corporation. This brought the total of the obligations of the Reconstruction Finance Corporation canceled to $2,781 millions, as shown in the following table.

Reconstruction Finance Corporation:		*Amount*
Obligations canceled to June 30, 1942		$2,739,895,685.09
Obligations canceled during 1943 pursuant to the act of Feb. 24, 1938, on account of expenditures for—		
Federal Housing Administrator (sec. 4 of National Housing Act)	$3,500,000.00	
Capital stock of regional agricultural credit corporations	37,000,000.00	
Expenses of regional agricultural credit corporations (sec. 201 (e) of Emergency Relief and Construction Act of 1932; sec. 33 of Farm Credit Act of 1937)	1,046,322.12	
		41,546,322.12
Total to June 30, 1943		2,781,442,007.21

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Proprietary interest in Government corporations and credit agencies

In order to reflect the amount of the Government's interest in Government corporations and credit agencies, the Treasury compiles from reports received from such agencies a "Combined Statement of Assets and Liabilities of Government Corporations and Credit Agencies of the United States," which is published in the daily Treasury statement at the end of each month. This statement shows the amount and classification of the assets and liabilities of the various agencies, the privately owned proprietary interest in such agencies, and the proprietary interest of the United States. The statement as of June 30, 1943, appears as table 84 beginning on page 694, and a summary table of the Government's proprietary interest in such agencies as of June 30, 1932 through 1943, appears as table 85 on page 704 of this report.

MONETARY DEVELOPMENTS

International monetary cooperation

Stabilization agreements.—The Treasury's policy, during the fiscal year 1943, has been one of continuing cooperation with friendly foreign governments in the stabilization of their currencies. Stabilization agreements previously made with the Governments of China, Brazil, Mexico, Ecuador, and Iceland were renewed. These agreements provide not only for stability of exchanges but also for periodic conferences to discuss monetary, financial, and economic problems of mutual interest. Monetary agreements were also made with the Government of the Republic of Cuba and with the Government of Liberia.

On July 6, 1942, the Secretary of the Treasury and the Cuban Ambassador signed an agreement under which the Government of the United States undertakes to sell gold to the Government of the Republic of Cuba from time to time with payment to be made in dollars within 120 days after delivery of the gold, provided that the unpaid-for amount shall not at any time exceed $5 millions. This agreement was designed to facilitate the accumulation and maintenance of a gold reserve against Cuban currency as provided by Cuban law, and to enable the Cuban Treasury to carry out operations for stabilizing the Cuban peso-United States dollar rate of exchange. On July 1, 1943, the Secretary of the Treasury and the Chargé d'Affaires of Cuba extended this agreement for 2 years beyond June 30, 1943. (See exhibits 46 and 47, p. 347.)

An agreement was entered into with the Government of Liberia on September 26, 1942, to facilitate the conversion of the currency system of that country to one based on dollars. Through use of the United States stabilization fund, British coins are being withdrawn from circulation and purchased with United States currency. Arrangements

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have been made with the British Government to dispose of these coins.

The agreement signed April 25, 1941, between the United States and China, under which the United States stabilization fund undertook to purchase Chinese yuan to the amount of $50 millions, and under which the Stabilization Board of China was established, was extended on June 30, 1942, for a period of 1 year. (See exhibit 48, p. 347.) On December 31, 1942, the Secretary of the Treasury announced the extension to June 30, 1943, of the stabilization arrangement of July 14, 1937. (See exhibit 49, p. 348.)

In conformity with the policy of monetary cooperation between the two countries, the Secretary of the Treasury and the Chargé d'Affaires of Brazil on July 6, 1942, signed an agreement extending to July 15, 1947, the stabilization agreement entered into between the countries on July 15, 1937. Under the agreement as extended, the amount of dollar exchange made available to the Government of Brazil was increased from $60 millions to $100 millions, and the amount of gold made available for sale to Brazil was increased also from $60 millions to $100 millions. (See exhibit 50, p. 348.) On June 4, 1943, the agreement was amended to increase the amount of gold made available for sale to $200 millions.

In furtherance of the policy of the Mexican and the United States Treasuries of maintaining the stability of the rate of exchange between the currencies of the two countries, the Secretary of the Treasury and a representative of the Secretary of the Treasury of Mexico, on June 3, 1943, made a joint statement that the stabilization agreement of November 19, 1941, between the United States and Mexico, had been extended for 2 years to June 30, 1945. Under the agreement, up to $40 millions of the United States stabilization fund could be used to purchase Mexican pesos for the purpose of stabilizing the United States dollar-Mexican peso rate of exchange. (See exhibit 51, p. 348.)

The stabilization agreement signed February 27, 1942, between the United States and Ecuador, under which the United States stabilization fund undertakes to purchase Ecuadoran sucres to the amount of $5 millions for the purpose of stabilizing the United States dollar-Ecuadoran sucre rate, was extended on July 1, 1943, for 1 year to June 30, 1944. (See exhibit 52, p. 349.)

On July 1, 1943, the stabilization agreement signed May 5, 1942, between the United States and Iceland, under which the United States stabilization fund undertakes to purchase Icelandic kronur to the amount of $2 millions, for the purpose of stabilizing the United States dollar-Icelandic krona rate of exchange, was extended for 1 year to June 30, 1944. (See exhibit 53, p. 349.)

The balance of the obligations of the Government of the Union of Soviet Socialist Republics under the three gold purchase agreements, made during the fiscal year 1942, were fully met in accordance with the

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terms of the agreements. The dollars made available by these gold transactions were used by the U. S. S. R. to pay for purchases of goods and services in the United States in addition to the materials obtained under the terms of the lend-lease arrangements.

Post-war currency stabilization.—In anticipation of the formidable international monetary problems which are certain to arise after the war, the Treasury staff prepared a tentative proposal for international cooperation to prevent the disruption of foreign exchanges and the collapse of some monetary systems, and to facilitate the restoration and balanced growth of international trade.

On April 5, 1943, the Secretary of the Treasury appeared before a joint session of three Senate committees and on April 6, 1943, before a joint session of three House committees to present this tentative proposal. In his statement the Secretary explained that the technical experts of the Treasury and other agencies of the Government had been studying methods by which post-war monetary stability could be facilitated. Secretary Morgenthau stated that the tentative proposal had been made available for exploratory study by the experts of other interested governments. The Secretary pointed out that the proposal did not have the official approval either of the Treasury or the Government.

The tentative proposal provides for the establishment of an International Stabilization Fund with powers and resources adequate to promote the maintenance of currency stability. All the United Nations and the countries associated with them in this war would be invited to become members. The fund would be under the management of a board of directors, consisting of one director appointed by each member government. Voting power would be related to the contribution by each country to the fund.

The resources of the fund would be subscribed by the participating governments in the form of gold, currencies of member countries, and public obligations of the member governments. The resources of the fund could be used to sell foreign exchange to meet the needs of member countries on their current transactions, while measures are being taken to restore equilibrium in the balance of international payments. The accounts of the fund would be kept in terms of a new international monetary unit, the Unitas, consisting of 137⅐ grains of fine gold (equivalent to $10). The fund would deal only with member governments and central banks, and would not enter into the customary channels of international trade and international finance.

A letter was sent by the Secretary of the Treasury to the Ministers of Finance of 37 countries inviting them to send technical experts to Washington to discuss informally the tentative proposals for international monetary cooperation. By the end of the fiscal year, 28 coun-

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tries had participated in these exploratory discussions. (See exhibit 54, p. 349.)

Domestic monetary events

On April 29, 1943, the President approved an act which (1) extended until June 30, 1945, the powers relating to the stabilization fund which were granted to the President and the Secretary of the Treasury in section 10 of the Gold Reserve Act of 1934, as amended; and (2) provided that the fund should not be used in such manner that direct control of it would pass from the President and the Secretary of the Treasury.

The power to alter the gold content of the dollar was given to the President by Title III of the Agricultural Adjustment Act of May 12, 1933, and reaffirmed by the Gold Reserve Act of January 30, 1934. On January 31, 1934, the President fixed the dollar at its present gold content, which has remained unchanged for more than 9 years. The President recommended and the Congress enacted extensions of this power in 1937 and again in 1939 and 1941. In 1943 this power was permitted to lapse. (See exhibits 55 and 56, p. 360.)

The assets and liabilities of the exchange stabilization fund as of June 30, 1942 and 1943, with supporting schedules, are shown in the table beginning on page 668.

Every effort was made by the Treasury in the fiscal year 1943 to continue the policy inaugurated in April 1942 of putting all available silver into urgent war uses. The metal is used extensively in the production of aircraft, ordnance, naval vessels, and for other war purposes. Approximately 700 million ounces of silver from the Treasury's free silver stocks were made available to June 30, 1943, for nonconsumptive use in war plants, under arrangements whereby the silver will be returned to the Treasury after the war.

No new purchases of foreign silver were made during the year, and the delivery of newly mined domestic silver acquired under forward purchase contract was postponed, thus permitting such silver also to go into industrial uses. (See exhibit 57, p. 363.)

In addition, approximately 5 million ounces of silver were sold to industrial users certified by the War Production Board as in urgent need of silver for immediate use in war production. This silver is classified as "silver ordinary" and is composed in part of silver purchased for coinage prior to the Silver Purchase Act of 1934, in part of silver contained in gold deposits, in part of recovered bullion which was lost in the melting and coining processes, and the balance of silver in excess of the amount estimated to be contained in mutilated coins. This silver was sold at a price of 45 cents an ounce. (See exhibit 58, p. 364.)

Approximately 3,075,000 ounces of Treasury silver were lend-leased to England during the year with the understanding that an

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equivalent amount will be returned on an ounce-for-ounce basis after the war. The silver was made available to relieve a shortage in British armament, airplane, and ship repair industries, and to supply silver for coinage in Great Britain. The silver was made available after full discussion with lend-lease officials, the War Production Board, the Combined Raw Materials Board, the Senate Special Silver Committee, and other governmental agencies.

An act of July 12, 1943, authorized the President, through the Secretary of the Treasury, upon recommendation of the Chairman of the War Production Board, to sell or lease domestically for war purposes any silver held or owned by the United States, provided that no silver should be sold at less than 71.11 cents per fine troy ounce, and provided further that at all times the ownership and the possession or control within the United States of an amount of silver of a monetary value equal to the face amount of all outstanding silver certificates should be maintained by the Treasury. (See exhibit 59, p. 364.)

On September 12, 1942, the Secretary of the Treasury announced that the new 5-cent piece, authorized by the act of Congress of March 27, 1942, and designed to save nickel and copper for war uses, would be composed of 35 percent silver, 56 percent copper, and 9 percent manganese. Manufacture of the new coin was started at the Philadelphia mint on October 1, 1942. (See exhibit 60, p. 364.)

In a further effort to conserve vital war metal, production of the 1-cent piece was greatly curtailed during the first 6 months of the fiscal year, and its coinage was suspended entirely in December 1942. This coin as minted since 1909 contained 95 percent copper and 5 percent tin and zinc. Production of a new, wartime 1-cent coin, provided for in Public Law 815, approved December 18, 1942, was begun in February, and the first supplies were delivered to the Treasurer of the United States on February 27, 1943. The new coin is made of zinc-coated steel. (See exhibit 61, p. 365.)

In November 1942, at the request of the United States War Department, the Treasury Department furnished to the War Department a special series of United States currency for use of the American military forces in North Africa. The currency is so marked that it can be readily distinguished from ordinary notes. One purpose of the special series is to prevent the use in North Africa of United States money which the Axis may have seized in occupied areas.

At his press conference on December 14, 1942, the Secretary disclosed that the United States obtained gold coins from Canada for use by the American forces in North Africa. The Secretary explained that this action was necessary because United States gold coins were melted down into gold bars as required by law.

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In order to conserve labor and materials, the Board of Governors of the Federal Reserve System, after consultation with the Treasury Department, in December 1942 authorized the Federal Reserve Banks to utilize as needed the existing stock, approximately $660 millions, of Federal Reserve Bank notes printed in 1933 and 1934. It is estimated that the utilization of this stock of unissued currency saved 225,000 man hours of labor, and 45 tons of paper, in addition to substantial savings of nylon and ink. (See exhibit 62, p. 367.)

An act of May 25, 1943, extended until June 30, 1945, the use of direct obligations of the United States as collateral security for Federal Reserve notes. (See exhibit 63, p. 367.)

A discussion of developments in foreign funds control will be found on p. 125.

CUSTOMS SERVICE IN THE WAR

In addition to its normal functions the Customs Service is charged with the physical control of exports, vessels, vehicles, and persons to insure that no articles are taken from the United States except under license or similar authorization; with the physical enforcement of the provisions of the Foreign Funds Control Act and the regulations promulgated thereunder as they relate to the exportation and importation of currency, negotiable instruments, securities, and other evidences of indebtedness; with the control of American citizens leaving the United States to insure that they hold valid passports; and with the enforcement of the Trading with the Enemy Act in the censorship of tangible communications brought into or taken from the United States otherwise than in the regular course of the mails.

Active cooperation is given by the Customs Service to the Army and Navy intelligence services and to the Federal Bureau of Investigation. The Customs Service is also furnishing substantial assistance to the Coast Guard in the protection of vessels, harbors, ports, and waterfront facilities from sabotage.

Customs officers cooperate with the War Production Board and the Office of Price Administration in the enforcement of certain regulations of those organizations. In the case of the War Production Board the Customs Service assists in controlling the importation of restricted materials. It assists the Office of Price Administration in the rationing of ships' supplies and imports of sugar, processed foods, meats, fats, fish, cheeses, tires, shoes, and rubber.

A further discussion of the war activities of the Customs Service will be found on page 232.

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SPECIAL PROCUREMENT ACTIVITIES

Lend-lease

During the fiscal year 1943, lend-lease continued to be the largest activity of the Procurement Division. Purchases amounted to $1,500,000,000, involving 24,643 contracts. Since Pearl Harbor, the total expenditures on lend-lease purchases by the Division have amounted to $2,500,000,000, involving 33,515 contracts. As anticipated, it was found necessary to expand the field expediting and inspection forces. Thirteen lend-lease area offices and eleven suboffices are giving constant attention to between 12,000 and 14,000 active contracts.

The fluctuating shipping situation necessitated the establishment of lend-lease depots in conjunction with the War Department. In addition to the general use of storage facilities, the Procurement Division is administering space at seven of these depots, totaling 2,000,000 square feet of open space and 2,500,000 square feet of closed space. Commercial storage facilities are also being used extensively throughout the country.

Owing to ever changing war requirements, substantial quantities of materials, mostly iron and steel products, purchased by the Division are made available for redistribution. All negotiations for sale of these materials, to other lend-lease countries or to domestic manufacturers for war requirements, are handled by the Procurement Division.

Renegotiation of war contracts

Renegotiation of Government contracts was provided for by Congress in order to prevent the realization of inordinate profits from war production. This was accomplished in two ways: By the retaining or recapturing of the profits on war contracts regarded as excessive, and by the refixing of contract prices on future war production. The policy of renegotiation became necessary because industry, in starting production of billions of dollars worth of war equipment with which it had no previous experience, naturally found itself unable to present reliable estimates of costs. As production reached substantial levels it was found that the unit costs included in the original contracts were too high in many cases.

Renegotiation of Government contracts was authorized by section 403 of Title IV of the Sixth Supplemental National Defense Appropriation Act, 1942, approved April 28, 1942. This act referred to contracts with the War and Navy Departments and the Maritime Commission. Contracts with the War Shipping Administration were made subject to renegotiation under this law by Executive Order No. 9244,

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dated September 6, 1942. Section 801 of Title VIII of the Revenue Act of 1942, approved October 21, 1942, which amended the renegotiation law to meet certain administrative problems, also authorized the inclusion of contracts with the Treasury Department. The law was amended further by the Military Appropriation Act, 1944, approved July 1, 1943, to include within its effect contracts and subcontracts with the Defense Plant Corporation, Metals Reserve Company, Defense Supplies Corporation, and the Rubber Reserve Company. A later amendment was made by Public Law 149, Seventy-eighth Congress, an act "To prevent the payment of excessive fees or compensation in connection with the negotiation of war contracts," which was approved July 14, 1943.

Renegotiation is generally applicable at present to contracts and subcontracts with the nine departments and agencies specified, on which final payment was not made prior to April 28, 1942, provided that the aggregate sales under such contracts and subcontracts were in excess of $100,000 for the fiscal year of a contractor or subcontractor. Renegotiation is now required also when amounts in excess of $25,000 are payable in the fiscal year to a contractor or subcontractor for services performed or to be performed which consist of the solicitation, procurement or attempted procurement of Government contracts or subcontracts thereunder, or the payment of which is contingent upon the procurement, or determined with reference to the amount of such contracts or subcontracts. The law provides that the procedure shall remain in force during the war and for 3 years after its termination. All amounts of money recovered by way of repayment or suit are covered into the Treasury as miscellaneous receipts.

With respect to contracts made since passage of the renegotiation law, the head of each of the nine departments and agencies specified is authorized and directed to insert in each contract for an amount in excess of $100,000, made by his department or agency, provisions for renegotiation of the contract price and for retention or recapture by the Government of excessive profits not eliminated through reductions in contract prices.

In accordance with the power to delegate authority granted by the law, renegotiation is handled by price adjustment boards and contracting officers of the nine departments and agencies. Procedure was instituted by which a contracting company in most instances renegotiated with only one of the specified departments and agencies, that which had the preponderance of interest with the contractor. In order to make this policy effective, there was a cross-delegation of authority enabling the department or agency renegotiating with a contractor to bind the others to the settlement reached.

Contracts of the Treasury Department subject to renegotiation include: (1) Contracts placed under section 201 of Title II of the

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First War Powers Act, 1941, 55 Stat. 839 (principally lend-lease contracts); (2) contracts for strategic and critical materials placed under the authority of the act of June 7, 1939, 63 Stat. 811; and (3) contracts for supplies for refugee relief under the Red Cross program, placed under the authority contained in section 40 of the Emergency Relief Appropriation Act, fiscal year 1941, 54 Stat. 627, Title I of the Second Deficiency Appropriation Act, 1942, approved July 2, 1942, and Title III of the Third Supplemental National Defense Appropriation Act, 1942, 55 Stat. 817.

Other types of contracts regularly entered into by the Procurement Division of the Treasury Department in the ordinary course of business prior to the war period, as such, are not subject to renegotiation unless negotiated under authority contained in Title II of the First War Powers Act, 1941.

Purchase orders, however, which are issued by the War and Navy Departments and the Maritime Commission under General Schedule of Supplies Contracts, which were entered into by the Procurement Division of the Treasury Department on behalf of all departments and establishments of the Government, are considered as being subject to the provisions of the renegotiation law. Purchase orders issued by the Treasury Department itself under such contracts also are considered as being subject to its provisions if such purchases were for lend-lease or for the Red Cross program.

Savings from renegotiated Government war contracts in the 14 months since the procedure was instituted, as reported jointly for the War and Navy Departments and the Maritime Commission through the Office of War Information on August 3, 1943, representing commitments for the elimination of excessive profits through June 30, 1943, amounted to $3,555,174,000. These figures, it was pointed out in the report, did not include savings secured through lower prices in successive contracts not susceptible of accurate measurement or even of estimates, but which doubtless were many times greater than the measurable recoveries and price reductions in existing contracts reported. Of the total savings reported, $1,523,748,000 represented the portion to be covered from excessive profits realized and $2,031,426,000 represented price reductions for future deliveries on existing contracts. Of the former amount almost $546,700,000 had been paid into the Treasury as "Miscellaneous receipts" by June 30, 1943.

Strategic and critical materials

Under the program authorized by Public No. 117, June 7, 1939, for the acquisition of stocks of strategic and critical materials, $12,256,000 was expended during the fiscal year 1943, bringing to $59,631,000 the total expenditures from the inception of the program to June 30, 1943.

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The acquisitions were made by the Procurement Division at the direction of the Secretary of War and the Secretary of the Navy.

Goods valued at $1,081,000 were sold from the stock pile during the year and in accordance with an amendment in Public Law 76, May 8, 1941, the proceeds were deposited to the credit of the strategic and critical materials account, bringing to $1,164,000 the funds deposited in this account from sales since the inception of the program.

Four Executive orders were issued during the year relating to the sale or other disposition of certain materials by the Procurement Division under direction of the Chairman of the War Production Board. Executive Order No. 9203, July 20, 1942, authorized the sale of manila fiber to the United States Navy, to the United Kingdom, or to certain Canadian manufacturers designated by the Government of Canada. Executive Order No. 9242, September 11, 1942, directed the sale of optical glass suitable for the manufacture of binoculars. Executive Order No. 9291, December 29, 1942, directed the transfer to the Metals Reserve Company of the block mica in stock on November 30, 1942, upon terms of sale agreeable to the Metals Reserve Company and the Procurement Division, and directed the Metals Reserve Company to sell or dispose of such mica as the Chairman of the War Production Board shall direct. Executive Order No. 9317, March 20, 1943, directed the sale of 3,634,782 ounces of quinine sulfate for the use of the Army and 1,283,600 ounces for the use of the Navy.

Storage and warehousing

The war thrust upon the Government new problems of supply and transportation which demanded more effective utilization of its material resources and drew attention to the need for improved Federal procurement, inspection, and warehousing service. A major contribution by the Procurement Division toward the accomplishment of this objective was the inauguration of a Nation-wide storage and issue warehousing program under the provisions of Executive Order No. 9235, dated August 31, 1942. (See exhibit 89, p. 448.)

Merchandising methods successfully practiced by Nation-wide commercial enterprises indicated the desirability of taking the supply service to the user rather than requiring the user to look to Washington to satisfy day by day needs for commonly used items. This service objective is in course of attainment through the establishment of regional supply centers at points throughout the United States where there are the greatest concentrations of Federal activities. Each supply center is being organized to render complete purchasing, contracting, and stores service to the field offices and, in the case of stores, to serve the user direct without rehandling by intermediary facilities. The first unit under this program was established at San Francisco on May 16, 1943.

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The supply needs of the Federal activities in Washington will continue to be met by stores carried in the central warehouse in Washington. In addition to its function as a retail distributer of commonly used supplies within an area delineated by economical shipping distances from Washington, in relation to the several regional supply centers, this warehouse will also serve as a national warehouse to distribute articles which, by their nature, source of supply, or quantities required, can be more economically supplied to the regional supply centers in that manner.

The increased role of the central Washington warehouse in meeting the Federal demand for common supplies since its establishment in 1935 is readily visualized by comparison of sales from stock of $2,128,759 in that fiscal year with $7,588,019 during the fiscal year 1943.

Utilization of Federal supplies and equipment

Executive Order No. 9235, dated August 31, 1942, provides for the effective utilization of all types of supplies and equipment owned by the Federal Government. The Bureau of the Budget is named as the policy-making body in matters pertaining to transfers of property between agencies of the Government and the Procurement Division is designated as the operating agency. This is a long range program in which disposition is made of all property which becomes surplus to the needs of the Federal Government. Regulations require that agencies, in need of a type of property on hand in surplus stocks, obtain their requirements from that source rather than purchase new equipment in the market. Property no longer required by any Federal agency is sold to non-Federal tax-supported institutions and other non-Federal purchasers. The program also includes the repair of certain surplus property, when advantageous, for further Government use.

To carry out the provisions of this order, the Federal Property Utilization Branch was established by the Procurement Division. For purposes of administration, the actual operations were decentralized through the establishment of eleven regional property offices located near centers of property concentrations. Plans have been completed for the establishment of regional repair shops in New York, Chicago, and San Francisco to recondition furniture and typewriters. In Washington, D. C., the facilities for repairing office furniture and typewriters were expanded.

While the Procurement Division was organizing to take orderly custody of inventories of property declared surplus by the Federal agencies, the Work Projects Administration was ordered liquidated. The handling of property of that administration required that the Procurement Division inspect and appraise the property, determine further need for the items by other Government agencies, inventory and list available property in catalogs issued periodically to Federal

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agencies, and transfer property to Federal departments having a need for it.

An important activity is the development of a classification system and standardized nomenclature for property which will afford a standardized control of all property handled under the program.

During the year, Federal surplus property valued at $10,500,000 was disposed of by transfer and property valued at $521,000 was disposed of by sale after the regional offices were established. All funds derived from the transfer or sale of Federal surplus property, other than that purchased originally from reimbursable appropriations, are covered into the miscellaneous receipts account of the Treasury.

FOREIGN FUNDS CONTROL ACTIVITIES

During the fiscal year 1943 the Treasury Department, through its Foreign Funds Control, continued as the financial spearhead in the Government's economic attack upon the Axis. Under the authorities of the Trading with the Enemy Act the Department has aimed to weaken the economic strength of the Nation's enemies by destroying their ability to obtain resources and finance their operations throughout the world. The measures taken were determined in the belief that in total war armed might depends upon economic strength. No Axis war machine is more powerful than the economy and the finances which back it.

During 1943 the work of the Treasury Department in these areas went forward under five main programs, as follows:

1. The first job of the Treasury's Foreign Funds Control was to prevent the enemy from using the billions in assets in this country actually or potentially under his control. It is known that in World War I the Germans spent tens of millions for sabotage, espionage, and propaganda inside the United States. Today there are in the United States about $8.5 billions of assets potentially available for enemy use. Yet, according to the Attorney General, there have been no evidences of foreign-inspired sabotage here in this war. This remarkable record is undoubtedly due in part to the drying up of all Axis sources of financing within the Nation through the freezing control program.

The Treasury's control was exerted primarily through the continued blocking of the dangerous billions and the requirement of Treasury licenses for transactions involving the blocked assets. During the fiscal year 1943 over 238,000 applications for specific licenses to effect transactions in blocked assets were filed with Foreign Funds Control. These applications involved values of more than $4.8 billions. Approximately 20 percent were denied as being inimical to the interests of the United States. In addition to those licensed on a specific basis, hundreds of thousands of relatively safe transactions in blocked funds

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were permitted under General Licenses issued to avoid burdening legitimate business activities.[1]

2. The second job was to prevent the enemy from benefiting from the billions he has looted outside the United States. As the Nazis built up their war machine during the 30's, they grew more and more desperate for the foreign exchange necessary to buy the goods and services to feed a military economy. After the invasion of Holland, Belgium, and France, one of the first programs of the Reichswehr was to strip those countries of all available dollar securities, American currency, diamonds, and gold to convert into foreign exchange to pay the costs of the war. The efforts to realize on the plundered goods took many different forms. The general pattern was to use black market operators in neutral countries who were willing to gamble that they could worm the goods into respectable channels for eventual redemption in the United States.

Among the functions assigned to Foreign Funds Control was responsibility for rendering ineffectual any such attempt of the Axis to realize on its loot. All securities and currency imported into this country were required to be delivered to a Federal Reserve Bank for examination and were not released unless the Control was satisfied that the title thereto was free from Axis taint. During the fiscal year 1943, over three million dollars in currency were caught trying to run the blockade, while hundreds of millions more of looted currency and securities were undoubtedly left outside. By these methods the Treasury effectively destroyed the value of the loot to the Axis.

There are evidences that the restrictions imposed by Foreign Funds Control have drastically impeded the enemy in his efforts to secure much-needed foreign exchange. By the close of the year the Axis powers had accumulated huge adverse balances in neutral countries and were experiencing increasing difficulty in purchasing supplies from these countries and in competing with buyers from the United Nations for vital materials.

3. A further task was to stop trade and communication with the enemy both here and abroad. Foreign Funds Control has been assigned responsibility for administering the licensing controls established under section 3 (a) of the Trading with the Enemy Act. To carry out this responsibility, the Control scrutinized attempted commercial communications and transactions between the United States and enemy countries or Proclaimed List nationals[2] in Europe or Latin America. The Control adheres to a general policy of severing and eliminating all financial and commercial intercourse, direct or indirect, with the Axis and Axis-dominated countries.

4. A fourth responsibility of the Department was to direct the weapons of foreign exchange toward winning the war. The United

[1] Analysis of the applications considered appears on p. 236.
[2] For explanation of Proclaimed List nationals, see the annual report for 1942, p. 295.

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States is the largest market for financing international transactions in the world today. Dollar balances are one of the few media generally acceptable in transactions between nations. Because of these factors a substantial part of the world's international business is effected through the financial facilities of the United States.

Executive Order No. 8389, as amended, under the Trading with the Enemy Act, made the Secretary of the Treasury responsible for the regulation of certain transactions in foreign exchange. In implementing this responsibility during the year, Foreign Funds Control scrutinized the billions worth of international transactions flowing through the American channels, first, to prevent any transactions that could be of help to the Axis and, second, to promote transactions which would aid the Allied cause.

5. A new responsibility which developed during the year was to assist the armed forces with financial, economic, and property controls in the areas which they liberated. As the armed forces moved to the attack in North Africa, Treasury representatives followed. Experience proved the necessity for applying the same controls over finance, property, and foreign exchange in the liberated areas as already had been applied in the United States. This work was essential to maintain firm bases for military operations and to further weaken the enemy's economy.

The Treasury has been assigned continuing responsibility for the fields of banking, public finance, currency, and financial and property controls in areas which are liberated in the future. In addition, Treasury representatives are required to assist in the financial aspects of other programs. It is anticipated that this area of responsibility will increase greatly as the armed forces continue to move forward.

WAR CONTRIBUTIONS

Conditional gifts

Under the provisions of Title XI of the Second War Powers Act, 1942, approved March 27, 1942, the Secretary of the Treasury accepted through June 30, 1943, 766 donations of money toward furtherance of the war effort in the amount of $3,482,260.71, of which all but $144,230.08 had been covered into the Treasury by warrants as of June 30, 1943. The latter amount represents checks which must be cleared through banking channels before the funds are available for covering into the Treasury. The donations in most instances were made by groups of individuals. A summarization of the donations follows.

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Donations under the Second War Powers Act of 1942

Purpose for which contributed	Accepted		
	Mar. 27, 1942, through June 30, 1942	July 1, 1942, through June 30, 1943	Total
Aircraft (representing bombers, pursuit planes, balloons, etc.)	$1,302,995.06	$1,143,311.11	$2,446,306.17
Vessels (representing battleships, cruisers, destroyers, submarines, etc.)	20,456.00	72,080.09	92,536.09
Guns and ammunition (representing rifles, cannon, mortars, machine guns, bullets, torpedoes, bombs, shells, etc.)	12,707.65	67,663.18	80,370.83
Welfare and recreation	4,601.00	55,961.20	60,562.20
Buildings and appurtenances	62,932.85	54,533.72	117,466.57
Medical supplies	10.00	5,215.00	5,225.00
Vehicles (representing tanks, ambulances, jeeps, etc.)	5,421.86	560,891.32	566,313.18
Miscellaneous equipment		1,733.25	1,733.25
Foreign relief and rehabilitation		31,747.42	31,747.42
War financing program		80,000.00	80,000.00
Total	1,409,124.42	2,073,136.29	3,482,260.71

	Covered by warrant		
	Mar. 27, 1942, through June 30, 1942	July 1, 1942, through June 30, 1943	Subsequent to June 30, 1943
Aircraft	$886,683.69	$1,558,688.11	$934.37
Vessels	20,456.00	71,934.09	146.00
Guns and ammunition	11,197.65	64,610.70	4,562.48
Welfare and recreation	4,601.00	53,059.95	2,901.25
Buildings and appurtenances	62,188.85	7,286.50	47,991.22
Medical supplies		4,720.00	505.00
Vehicles		479,123.42	87,189.76
Miscellaneous equipment		1,733.25	
Foreign relief and rehabilitation		31,747.42	
War financing program		80,000.00	
Total	985,127.19	2,352,903.44	144,230.08

Donations of property accepted during the fiscal year 1943 for use in connection with the various war activities included airplanes, ambulances, automobiles, trucks, racing homing pigeons, fur coats, medical supplies including iron lungs, rowboats and skiffs, guns and ammunition, bayonets, swords, knives, binoculars, soap, phonograph records, baseballs and bats, a 7-dog team and harness, a train of 8 coaches, and various other articles. The property accepted had a total estimated valuation of $317,615, and in practically all instances was received directly by the war agency to which donated.

Unconditional donations

From December 7, 1941, the day on which Pearl Harbor was attacked, to June 30, 1943, 14,734 unconditional donations amounting to $927,112.36 were received. The 14,734 donations do not represent the total number of donors inasmuch as the donations of approximately 24,000 individuals were grouped and treated as single donations; for example, 7,000 employees of an aeronautical corporation sent in individual checks which were recorded as one donation.

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Donations came from individuals, schools, fraternal organizations, labor organizations, groups of citizens, and employees in various corporations.

SALARY STABILIZATION AND LIMITATION

Under the act of October 2, 1942, amending the Emergency Price Control Act of 1942, the President was authorized and directed to issue a general order on or before November 1, 1942, stabilizing prices, wages, salaries and other factors affecting the cost of living and to provide for making such adjustments therein as he found necessary to aid in the effective prosecution of the war or to correct gross inequities. Except as otherwise provided in the act, such stabilization was to be as far as practicable on the basis of the levels existing on September 15, 1942.

Pursuant to this authority, the President, on October 3, 1942, issued Executive Order No. 9250 which, among other things, established the Office of Economic Stabilization with a Director responsible to the President, and an Economic Stabilization Board to serve in an advisory capacity to the Director. The Secretary of the Treasury is a member of the board. (See exhibits 68 and 69, pp. 378 and 379.)

The Director, with the approval of the President, was authorized to formulate and develop a comprehensive national economic policy relating to the control of civilian purchasing power, prices, rents, wages, salaries, profits, rationing, and subsidies. Title III of the order outlined a program of wage and salary stabilization to be directed by the Office of Economic Stabilization. The Director was authorized and directed also "to take the necessary action, and to issue the appropriate regulations, so that, insofar as practicable, no salary shall be authorized under section 4 of Title III, to the extent that it exceeds $25,000 after the payment of taxes allocable to the sum in excess of $25,000: *Provided, however,* that such regulations shall make due allowance for the payment of life insurance premiums on policies heretofore issued, and required payments on fixed obligations heretofore incurred, and shall make provision to prevent undue hardship."

On October 27, 1942, the Director of Economic Stabilization, with the approval of the President, issued regulations formulating the program more specifically. With respect to salary increases, it was stipulated that no salary increase might have the effect of resulting in any substantial increase of the level of cost or furnish the basis for increasing price ceilings or to resist otherwise justifiable reductions in such price ceilings. Employers having eight employees or less were exempted from the provisions for the stabilization (but not the limitation) of salaries.

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Control by the National War Labor Board over wage adjustments as specified in Executive Order No. 9250 was reaffirmed by the regulations; jurisdiction over salary adjustments was divided between that Board and the Commissioner of Internal Revenue. The Commissioner was designated to enforce the limitation on salaries. By an amendment to these regulations, dated November 30, adjustments in wages and salaries of $2,400 a year and less paid to agricultural labor were placed under authority of the Secretary of Agriculture.

With respect to the division of authority in administering the wage and salary stabilization program, the Commissioner of Internal Revenue was given jurisdiction over all salaries in excess of $5,000 a year and over salaries of less than $5,000 a year of those executive, administrative, and professional employees who are not represented by a duly recognized or certified labor organization, and who are not classified as "agricultural labor." In the exercise of this authority, the Commissioner of Internal Revenue, by a regulation promulgated on October 29, 1942, under Treasury Decision 5176, established a Salary Stabilization Unit under the supervision of a Deputy Commissioner of Internal Revenue.

Although the Salary Stabilization Unit was generally responsible for salary changes, its approval was not required in all cases of requests for proposed increases. The salary regulations stated that approval was not required where an increase in salary rate was made in accordance with a salary agreement or salary rate schedule in effect prior to October 3, 1942, or approved thereafter by the Commissioner, and was the result of (*a*) individual promotions or reclassifications; (*b*) individual merit increases within established salary rate ranges; (*c*) operation of an established plan of salary increases based on length of service; (*d*) increased productivity under incentive plans; or (*e*) operation of a trainee system.

Decreases in salary to a rate below $5,000 could not be made without prior approval of the Commissioner unless the employee had been demoted or given lesser responsibilities. A decrease in salary was permitted with the approval of the Commissioner only to correct gross inequities or to aid in the effective prosecution of the war.

The responsibility of the Commissioner of Internal Revenue in passing upon the salary adjustments and limitations within his jurisdiction was increased by the fact that under the regulations promulgated by the Director of Economic Stabilization on October 27, 1942, the Commissioner's determinations that salary payments are made in contravention of the act are declared to be binding and conclusive upon all other agencies of the Government (1) in determining the costs or expenses of any employer for the purpose of any law or regulation; (2) in calculating deductions under the revenue laws of the United States; and (3) in determining costs or expenses under any

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contract made by or on behalf of the United States. In this connection, in section 1002.28 of the regulations promulgated on December 2, 1942, by the Commissioner, it was provided that if any salary payment was made in contravention of the act or of the regulations, the entire amount of such payment should be disregarded for all of the three purposes specified above.

Further limitation upon the authority to approve salary adjustments is provided by Executive Order No. 9328, known as the "Hold the Line" order, issued by the President on April 8, 1943. With respect to wages and salaries, the order directed that no further increases should be authorized beyond those in accordance with the Little Steel formula as previously defined to compensate for the rise in the cost of living between January 1, 1941, and May 1, 1942, except to correct substandards of living, or to aid in the effective prosecution of the war. In supplement to section 5 of the order, the Director of Economic Stabilization on May 12, 1943, issued a policy directive authorizing the National War Labor Board to establish, by occupational groups and labor market areas, wage-rate brackets embracing the going rates. All rates within those brackets were to be regarded as stabilized rates, for application to concrete cases, and to serve to strengthen and reinforce the stabilization line to be held. (See exhibit 70, p. 382.)

On July 1, 1943, the Commissioner of Internal Revenue issued instructions as to the methods under which payments of additional compensation to salaried personnel could be determined, in the case of employers required to pay increased salaries owing to extension of the normal work week. (See exhibit 71, p. 383.) Under these instructions the maximum amounts which will be allowed are such amounts as are necessary to keep the minimum differentials between the interrelated job classifications required for the maintenance of productive efficiency.

The Public Debt Act of 1943, which became law on April 11, 1943, without the approval of the President, amended section 4 of the act of October 2, 1942 (Emergency Price Control Act), to eliminate the proviso of that section which gave to the President the power, without regard to the clause limiting the purpose to the reducing of the wages or salaries for any particular work below the highest wages or salaries paid therefor between January 1 and September 15, 1942, to adjust wages or salaries to the extent that he found necessary in any case to correct gross inequities and also aid in the effective prosecution of the war.

The Public Debt Act of 1943 further provided that all provisions of Part 4001.9 of the regulations promulgated by the Director of Economic Stabilization on October 27, 1942, which were in conflict with section 7, Title II of Executive Order No. 9250, were rescinded.

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This provision repealed the $25,000 limitation on salaries. (See exhibit 38, p. 338.)

CHANGES IN ORGANIZATION AND PROCEDURE

The Foreign Funds Control was given a separate administrative status in the Treasury Department under a Director of Foreign Funds Control by Treasury Department Order No. 47, dated September 22, 1942. The functions of the Control have increased and developed since its organization in the Office of the Secretary in April 1940.

Under Treasury Department Order No. 50, dated June 25, 1943, the designation of the War Savings Staff was changed to War Finance Division of the Office of the Secretary. The supervision of its functions—promoting the sale of securities offered to the public by the Treasury Department—was assigned to a National Director, who is an Assistant to the Secretary.

The Processing Tax Board of Review was abolished at the close of business December 31, 1942, by section 510 of the Revenue Act of 1942. The jurisdiction vested in the Board, which was established under section 906 (b) of the Revenue Act of 1936, was transferred to The Tax Court of the United States.

Certain functions, duties, and powers of the Attorney General and the Department of Justice relating to taxes and penalties imposed for violations of the National Prohibition Act were transferred by Executive Order No. 9302, February 9, 1943, to the Commissioner of Internal Revenue.

Copies of Treasury orders issued during the year and of the Executive order referred to will be found as exhibits 72 and 73 beginning on page 384.

ESTIMATES OF RECEIPTS

The Secretary of the Treasury is required each year to prepare and submit in his annual report to Congress estimates of the public revenue for the current fiscal year and for the fiscal year next ensuing (Public No. 129, February 26, 1907). These estimates are now made in December of each year on the basis of legislation existing at the time of making the estimates. Because of the uncertainty concerning the future under wartime conditions the possibility of error involved in estimates of revenue is greater than usual, and there is also the probability of the early enactment of new tax legislation. Therefore, these estimates will be revised from time to time to take account of changed conditions.

The situation apart from the enactment of new legislation has changed markedly since a forecast of revenues was made a year ago. At that time huge increases were scheduled in Government expenditures and a rapid expansion in industrial production, employment,

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and pay rolls was expected. By now it appears that full employment of all factors of production is being approached at the same time that the increase of war expenditures is leveling off. Industrial production, employment, and pay rolls are expected to reach their maximum in the calendar year 1944. In preparation of the estimates it has been assumed that there would be some lifting of the limitations on production for civilian consumption and some increased importation, although increased tax-free shipments are expected to be made to our armed forces serving in foreign countries, and inventory shortages are expected to have a retarding effect on consumption. Basic assumptions are that the war will continue and that the expenditures estimated elsewhere in this report will be realized.

The yield of the tax system is a function of both the tax rates and the tax base. The base depends upon the distributions of the amounts and kinds of taxable income received by individuals and by corporate and noncorporate institutions, upon the valuation and distribution of ownership and the transfer of property, upon the consumption of taxable commodities and services, upon imports, and upon the effect of action taken by taxpayers to control their liability for tax. In making estimates of the tax bases a wide variety of financial and other economic data is forecast approximately a year and a half in advance and then analyzed upon the basis of past experience modified by reasonable assumptions concerning conditions in the future. The forecast data include the direction and magnitude of the movements of industrial production, profits, security and commodity prices, employment, pay rolls, and other components of business activity. Past events affect the receipts because of back taxes and provisions under the income taxes for carrying forward losses and credits.

The degree to which receipts reflect current economic conditions is determined by the sensitivity of each tax to fluctuations of business activity and by the length of the period between the time in which liability for tax is incurred and the time in which payment of tax to the Government is required.

Consumption taxes are more stable than taxes based on income and profits, and flat rate taxes are more stable than taxes at progressive rates. The fact that dividends are not expected to vary greatly in the period covered by these estimates is a stabilizing influence upon individual income tax receipts, because so large a proportion of income taxed at high rates consists of dividends. The controls of the war economy over income, profits, and production, despite some small easing of the controls over production for civilian use, are important stabilizing factors.

The lag in payment of tax liabilities varies as between different types of taxes. At one extreme, the tax on the sale of certain important commodities such as cigarettes, distilled spirits, and fermented

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malt liquors is collected in advance of the sale of these commodities. On the other hand, the payment of an estate tax may be delayed as long as 15 months after the date of death. Payment of most excise taxes upon commodities is due in the month following the taxed sale. Gift tax receipts are due in the calendar year following the year in which the gift is made. Receipts from employment taxes lag anywhere from 3 months to a year. The corporation income and excess profits tax payments are due in the year following the year in which the income is received, whereas the individual income tax payments are largely made in the same year in which the liability is incurred.

Because the income tax receipts constitute more than 75 percent of total receipts in each estimated fiscal year's receipts, the lag between the time income is received by the taxpayer and the time of payment of taxes based on such incomes is of particular significance. Current corporation income and excess profits tax collections continue to be collected in the calendar year following the accrual of the liability. Hence the estimated tax receipts from these sources for the fiscal year 1944 are made up of payments partly on calendar year 1942 incomes and partly on 1943 incomes. Similarly the fiscal year 1945 estimates of corporation income tax receipts include payments based upon the incomes of each of the calendar years 1943 and 1944.

The timing of the collection of the individual income tax liabilities has been changed during the period under review. The estimated current individual income tax receipts in the fiscal year 1943 are based upon the incomes of each of the calendar years 1941 and 1942 plus receipts of certain withholdings (January through March 1943) under the withholding provisions of the Revenue Act of 1942. However, the effect of the Current Tax Payment Act of 1943 is to make current individual income tax receipts in the fiscal year 1944 dependent upon the incomes of the calendar years 1943 and 1944 instead of the calendar years 1942 and 1943. The latter situation prevails in the case of corporation income tax receipts and would have been the situation in the case of the individual income tax under the Revenue Act of 1942 except for the receipts from the collection at the source of the 5 percent tax on salaries and wages in excess of an annual rate of $624. In addition, the Current Tax Payment Act of 1943 requires large nonrecurring payments of individual income tax liabilities in the fiscal year 1944 and to a lesser extent in the fiscal year 1945.

The estimates are presented to show both total receipts and net receipts. Total receipts cover all taxes and nontax revenues coming into the Treasury which are credited to general and special accounts, while net receipts represent total receipts less a deduction for the amount of the net appropriation to the Federal old-age and survivors insurance trust fund. The appropriation to this fund represents an amount equivalent to 100 percent of the taxes received under the

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Federal Insurance Contributions Act less reimbursement to the General Fund for administrative expenses as provided in the law. In this discussion of estimated receipts, the term "Total receipts" means "Total receipts, general and special accounts, on the basis of daily Treasury statements." The term "Net receipts," which allows for the deduction for the appropriation to the Federal old-age and survivors insurance trust fund, means "Net receipts, general and special accounts, on the basis of daily Treasury statements."

Total receipts, general and special accounts, are estimated (on the daily Treasury statement basis) in the amounts of $42,578 millions in the fiscal year 1944 and $43,425 millions in the fiscal year 1945. The estimated total receipts in the fiscal year 1944 exceed by $19,193 millions the actual total receipts of $23,385 millions in the fiscal year 1943, while estimated total receipts of $43,425 millions in the fiscal year 1945 represent an increase of $847 millions over the estimated total receipts in the fiscal year 1944.

Although total receipts in the fiscal year 1945 show an increase of $847 millions as compared with those estimated in the fiscal year 1944, the net receipts in general and special accounts show a decrease of $417 millions. This result is caused by the effect of the appropriation to the Federal old-age and survivors insurance trust fund of receipts under the Federal Insurance Contributions Act which are estimated to be $1,264 millions greater in the fiscal year 1945 than in the fiscal year 1944 because of the inclusion of a full year's receipts at the higher rate as compared with receipts of only one month at the higher rate in the fiscal year 1944. The outstanding changes are those relating to receipts from the individual income tax and miscellaneous receipts.

The increase of $12,412 millions in the individual income tax receipts in the fiscal year 1944 over those of the preceding fiscal year is attributable not only to the higher levels of incomes during the period in which the respective liabilities were incurred but also to certain nonrecurring tax payments made during the fiscal year 1944 in connection with the transition to a pay-as-you-go basis. On the other hand, a decrease of $1,324 millions is expected in the individual income tax receipts in the fiscal year 1945 as compared with those in the fiscal year 1944. The estimated receipts from nonrecurring payments of tax liability in connection with the transition to a pay-as-you-go basis are much smaller in the fiscal year 1945 than in the fiscal year 1944 and this influence is sufficient to offset other influences to the contrary.

Miscellaneous receipts in the fiscal year 1945 originating from renegotiation of war contracts also are expected to decline by $521 millions as the procurement agencies of the Government bring contract prices more closely in line with costs.

The percentage distribution, by sources, of total receipts in the

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fiscal years 1944 and 1945, as compared with actual receipts in the fiscal year 1943, is shown in the following table:

Percentage distribution of total receipts in the fiscal years 1943, 1944, and 1945

Source	Estimated, 1945	Estimated, 1944	Actual, 1943
Internal revenue:			
Income taxes	75.08	76.74	68.82
Miscellaneous internal revenue	11.89	12.12	19.46
Employment taxes	7.30	4.39	6.41
Total internal revenue	94.27	93.25	94.69
Railroad unemployment insurance contributions	.03	.03	.04
Customs	1.01	.98	1.39
Miscellaneous receipts	4.69	5.74	3.88
Total receipts	100.00	100.00	100.00

Estimated receipts in the fiscal years 1944 and 1945 and actual receipts in the fiscal year 1943 are presented in summary form in the table following. A more detailed tabulation of receipts and estimates is shown in table 100 beginning on page 764. All year-to-year differences and percentages appearing in the text are based on this detailed table.

Actual receipts in the fiscal year 1943 and estimated receipts in the fiscal years 1944 and 1945 [1]

[In millions of dollars]

Source	Estimated, 1945	Estimated, 1944	Actual, 1943
1. Internal revenue:			
(1) Income and excess profits taxes:			
Individual:			
Current taxes:			
Collections of withholdings:			
Revenue Act of 1942	----------	781.1	686.0
Current Tax Payment Act of 1943:			
Collections by Bureau of Internal Revenue	7,722.1	6,642.3	----------
Collections through Government depositaries, not yet received by Bureau of Internal Revenue	1,335.9	1,355.9	----------
Total collections of withholdings	9,058.0	8,779.3	686.0
Income tax not withheld:			
Collections by Bureau of Internal Revenue	8,229.8	9,837.8	5,771.0
Adjustment to daily Treasury statement basis [2]	----------	----------	[3] −125.0
Total income tax not withheld	8,229.8	9,837.8	5,646.0
Total current individual	17,287.8	18,617.1	6,332.0
Back taxes	305.0	300.0	172.9
Total individual	17,592.8	18,917.1	6,505.0
Corporation:			
Current taxes:			
Income	5,288.5	4,979.9	4,137.0
Excess profits	8,377.8	7,566.6	4,844.0
Declared value excess profits [4]	103.8	100.0	82.4
Adjustment to daily Treasury statement basis [2]	----------	----------	[3] −80.2
Total current corporation	13,770.1	12,646.5	8,983.1
Back taxes:			
Income	522.6	464.8	383.9
Excess profits	717.9	642.7	219.9
Unjust enrichment	1.5	1.5	1.8
Total back corporation	1,242.0	1,109.0	605.6
Total corporation	15,012.1	13,755.5	9,588.7
Total income and excess profits taxes	32,604.9	32,672.6	16,093.7

Footnotes at end of table.

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Actual receipts in the fiscal year 1943 and estimated receipts in the fiscal years 1944 and 1945 [1]—Continued

[In millions of dollars]

Source	Estimated, 1945	Estimated, 1944	Actual, 1943
1. Internal revenue—Continued.			
(2) Miscellaneous internal revenue:			
Capital stock tax	393.8	382.9	328.8
Estate tax	474.6	460.7	414.5
Gift tax	45.7	44.8	33.0
Liquor taxes [5]	1,482.2	1,509.2	1,423.5
Tobacco taxes [5]	973.7	988.3	915.3
Stamp taxes [5]	58.6	55.5	45.2
Manufacturers' excise taxes	523.9	496.6	487.2
Retailers' excise taxes	184.0	183.6	165.3
Miscellaneous taxes [5 6]	1,027.7	1,039.2	757.3
Total miscellaneous internal revenue (collection basis)	5,164.1	5,160.7	4,569.9
Adjustment to daily Treasury statement basis [2]			−18.5
Total miscellaneous internal revenue (daily Treasury statement basis)	5,164.1	5,160.7	4,551.4
(3) Employment taxes:			
Taxes on employment by other than carriers:			
Federal Insurance Contributions Act	2,687.6	[7] 1,422.5	1,130.5
Federal Unemployment Tax Act	203.8	191.4	158.4
Total	2,891.4	1,613.9	1,288.9
Taxes on carriers and their employees (Ch. 9, Subch. B of Internal Revenue Code)	277.4	256.1	208.8
Total employment taxes	3,168.8	1,870.0	1,497.7
Total internal revenue	40,937.8	39,703.3	22,142.8
2. Railroad unemployment insurance contributions	12.8	11.9	10.3
3. Customs	438.0	420.0	324.3
4. Miscellaneous receipts:			
Originating from renegotiation of war contracts	[8] 1,212.4	[8] 1,733.1	([9])
All other	824.4	709.8	([9])
Total miscellaneous receipts	2,036.8	2,442.9	[10] 907.3
Total receipts, general and special accounts [5]	43,425.4	42,578.1	23,384.6
Deduct: Net appropriation for Federal old-age and survivors insurance trust fund representing an amount equal to taxes collected and deposited under the Federal Insurance Contributions Act, less reimbursements to General Fund for administrative expenses	2,656.4	[7] 1,392.1	1,103.0
Net receipts, general and special accounts [5]	40,769.0	41,186.0	22,281.6

NOTE.—Figures are rounded to nearest tenth of a million and will not necessarily add to totals.

[1] Details of income taxes and miscellaneous internal revenue on collection basis with adjustments to basis of the daily Treasury statement. Details of employment taxes, railroad unemployment insurance contributions, customs, and miscellaneous receipts on the basis of the daily Treasury statement.

[2] Because of the time required for payments reported as tax collections toward the end of each month to clear through the banks and become available for expenditures on the daily Treasury statement basis, an adjustment from the collections to the daily Treasury statement basis is necessary. A positive adjustment indicates that during the fiscal year more tax receipts on the daily Treasury statement basis have been received than are reported as collections, and a negative adjustment indicates the reverse situation.

[3] Estimated break-down of actual adjustment to the daily Treasury statement basis of income and excess profits tax receipts between individual and corporation income and excess profits taxes. The actual division is not available.

[4] Includes back declared value excess profits tax collections.

[5] Collections for credit to trust funds are not included.

[6] Includes collections from taxes on narcotics, taxes imposed under the National Firearms Act, and the tax on hydraulic mining, all of which are effective currently. In addition, includes collections from excise taxes, repealed prior to and including the Revenue Act of 1942 (consisting primarily of rubber articles, electric signs, optical equipment, and washing machines); collections from the tobacco, matches, tires and tubes floor stocks taxes imposed by the Revenue Acts of 1941 and 1942; and collections from the tax under the Bituminous Coal Act of 1937, which expired Aug. 24, 1943.

[7] Includes the effect of Public Law, 221 approved Dec. 22, 1943, which postpones the automatic increase in the 1944 tax rate under the Federal Insurance Contributions Act until Mar. 1, 1944.

[8] Includes cash refunds which are recoveries of excessive profits from renegotiation of war contracts which would not have been collected as taxes, plus those amounts which would have been collected as taxes if the corporation had filed a definitive tax return prior to the determination of the amount of excessive profits.

[9] Not available on the basis of the daily Treasury statement.

[10] Includes collections of the manufacturers' excise taxes on firearms, shells, pistols, and revolvers in accordance with a reclassification of accounts.

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Fiscal year 1944

Total receipts in general and special accounts in the fiscal year 1944 are estimated at $42,578 millions, an increase of $19,193 millions or 82.1 percent over the actual total receipts of $23,385 millions in the fiscal year 1943.

Income taxes.—Total income and excess profits tax receipts, including back tax collections, in the fiscal year 1944 are estimated to be $32,673 millions, more than double the previous high record of receipts of $16,094 millions from this source made in the fiscal year 1943. The increase of $16,579 millions in income and excess profits tax receipts consists of $12,412 millions from the individual income tax and $4,167 millions from the corporation income and excess profits tax receipts.

Total individual income tax receipts in the fiscal year 1944 are estimated at $18,917 millions, an increase of $12,412 millions or 190.8 percent over the actual receipts in the fiscal year 1943 of $6,505 millions. The increase is caused by the enactment of the Current Tax Payment Act of 1943, the higher levels of income on which the liabilities payable in the fiscal year 1944 are based, and the higher tax rates and lower exemptions of the Revenue Act of 1942.

The effect of the Current Tax Payment Act of 1943 is to increase the payments of individual income tax liabilities in the fiscal year 1944 during the transition to a pay-as-you-go basis. The act in effect provides that the calendar year 1943 tax liability of civilians shall be the larger of the liabilities on the calendar year 1943 or 1942 incomes. The payment of the additional amount in the fiscal year 1944 in instances where the calendar year 1942 liability is the larger results in a large nonrecurring collection in excess of what might be expected on the basis of calendar year 1943 incomes. In the converse situation, where the calendar year 1943 liability is the larger, the taxpayers in the aggregate made payments in the first half of the calendar year 1943 (based on their lower 1942 liabilities) which amounted to much less than half of their higher 1943 liabilities. Therefore, after applying these payments against their 1943 liabilities there was left an unusual bunching of payments in the fiscal year 1944. Finally, because of the unusually large number of partial payments made at the end of the fiscal year 1943, a large amount of June payments officially were recorded either as received or collected in the fiscal year 1944. This situation is not expected to recur since under the Current Tax Payment Act of 1943 only payments of the much smaller number of liabilities declared to be in excess of current withholdings need to be handled at the end of the fiscal year. These are the factors special to the fiscal year 1944.

There is one other important factor which affects receipts in the fiscal years 1944 and 1945 approximately in equal amounts, but did not affect actual receipts in the fiscal year 1943. The Current Tax

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Payment Act of 1943, as an offset to complete remission of the lower of the calendar year 1942 or 1943 liabilities, requires that an additional payment of at least one-fourth of whichever liability is the lower must be added to the calendar year 1943 liability and be paid either in full in March 1944 or in equal installments in March 1944 and in March 1945. If the calendar year 1942 or 1943 liability, whichever is lower, is $50 or less, no additional payment is required; if over $50 but not over $66.67, an additional payment equal to the excess of the liability over $50 is required.

Of even more importance than these special factors, the income level affecting the fiscal year 1944 receipts reflects a two-year increase instead of merely a one-year increase over the level affecting the fiscal year 1943 receipts. This is because the Current Tax Payment Act of 1943 largely eliminates the former lag of collections behind the period in which taxable incomes arise. Current payment for the majority of taxpayers in the first surtax bracket is provided for through withholding at the source on salaries and wages, and for those taxpayers whose income is not subject to withholding or whose income is taxed at higher surtax rates, current payment is effected by declarations of estimated liability and quarterly payments of the additional liability estimated to be in excess of withholdings. Penalties are imposed on taxpayers who are required to make declarations if the amount paid quarterly and via withholdings by December is not equal to 80 percent (66⅔ percent in the case of farmers) of the full amount of liability determined on March 15 of the following year, the date full payment is due.

Receipts during the fiscal year 1944 from the collection at the source on salaries and wages are determined partly under the Revenue Act of 1942 and partly under the Current Tax Payment Act of 1943. Under the Revenue Act of 1942, withholding is at the rate of 5 percent on salaries and wages in excess of an annual rate of $624. Under the Current Tax Payment Act of 1943, the amount withheld is the greater of (a) 20 percent of the excess of salaries and wages over a withholding exemption which varies according to the family status of the employee or (b) 3 percent of the excess of salaries and wages over an annual rate of $624. The family status withholding exemption is at an annual rate of $624 for a single person; $1,248, $624, or zero for a married person who claims respectively all, half, or none of the personal exemption for withholding purposes, and $312 for each dependent other than the first dependent in the case of the head of a family.

Under either act the remuneration for domestic service, for casual labor, for services in the armed forces, and most of that for agricultural labor is exempt from withholding. Payment by the withholding agent of the amounts withheld is due under the Revenue Act of 1942 on or before the last day of the first month following the quarter in which the

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amounts were withheld. Under the Current Tax Payment Act of 1943, amounts withheld by employers who withhold in excess of $100 a month are customarily deposited in a Government depositary by the tenth of the month following the month in which the amounts were withheld, but the due date is the same as under the Revenue Act of 1942 for amounts withheld by all other employers.

Withholdings of $781 millions in respect of the calendar year 1943 salaries and wages will be received by the Government in the fiscal year 1944 under the Revenue Act of 1942. This constitutes amounts withheld for the period beginning with the month of April 1943 and ending with the beginning of the first pay period which started in July. The remainder of the withholdings on July salaries and wages and the entire amount of withholdings on salaries and wages of the eight months, August 1943 through March 1944, and in addition the amounts withheld on April and May salaries and wages by most employers who withhold more than $100 per month, will be received under the Current Tax Payment Act of 1943 in the fiscal year 1944. The amount withheld on June salaries and wages by employers who withhold more than $100 per month and on April-June salaries and wages by all other employers will be received in the succeeding fiscal year.

Aside from remitting in effect 75 percent of the lower of calendar year 1942 or 1943 tax liability and placing collections on a current basis, the only other significant departure from the Revenue Act of 1942 incorporated in the Current Tax Payment Act of 1943 is a change in the exclusion from base pay of noncommissioned members of the armed forces from $250 in the case of single persons and $300 in the case of married couples to a single exclusion from base pay up to $1,500 regardless of rank or marital status.

The higher tax rates and lower exemptions of the Revenue Act of 1942 contribute to the increase of fiscal year 1944 receipts inasmuch as the fiscal year 1943 receipts are based partly on incomes taxed under the Revenue Act of 1941.

The 1941 act personal exemptions of $1,500 for married couples and heads of families and $750 for single persons were reduced to $1,200 and $500, respectively, in the 1942 act. However, for members of the armed forces below the grade of commissioned officer, exclusions of $300 for married couples and heads of families and $250 for single persons were granted from gross income of salary received by such personnel for active service. The base was further broadened by reducing the dependent credit from $400 to $350. Surtax rates were increased on the first $2,000 of surtax net income from 6 to 13 percent and on surtax net income of over $5 millions from 77 to 82 percent with appropriate increases throughout the intervening schedule. The normal tax rate was increased from 4 to 6 percent. On the other

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hand, the base was reduced by the allowance of deductions for certain medical expenses and certain State retail sales taxes. Nominal reductions of tax yield result from other minor changes in the regular tax on net income.

A large share of the increase of receipts in the fiscal year 1944 was caused by enactment of the Victory tax contained in the Revenue Act of 1942, effective as of January 1, 1942. The only receipts in the fiscal year 1943 relating to the Victory tax consist of 3 months' (January–March 1943) withholdings. The amounts withheld, together with all other payments made in the first half of the calendar year 1942, are subtracted from the total calendar year 1943 liabilities as determined under the Current Tax Payment Act of 1943 and the remainder paid in the fiscal year 1944 except as specific provision is made for payment of some nonrecurring liabilities in subsequent fiscal years.

Individual income back taxes are estimated at $300 millions, an increase of $127 millions over actual collections in the fiscal year 1943. The increase is partly the result of an exceptionally large back tax collection in 1 month of the fiscal year 1944, and is partly associated with the large individual income tax liabilities incurred in recent years.

Total corporation income and excess profits tax receipts (current) and declared value excess profits tax receipts (current and back) are estimated to be $12,647 millions in the fiscal year 1944, on the daily Treasury statement basis. This is an increase of $3,663 millions or 40.8 percent over actual receipts of $8,983 millions in the fiscal year 1943. The increase in collections from the excess profits tax provides 76.0 percent of the total increase in collections from current corporation income and excess profits taxes.

Collections in the fiscal year 1944 represent for the most part the collection of income tax liabilities incurred in respect of the incomes of the calendar years 1942 and 1943, while the fiscal year 1943 collections reflect liabilities for the calendar years 1941 and 1942. Collections of the calendar year liabilities are not divided evenly between the 2 fiscal years affected, but the proportions are such that, for the purpose of simplifying the explanation of results, the taxes collected in respect of the incomes of the calendar year common to both may be ignored in comparing collections for 2 fiscal years. Thus, in comparing the fiscal years 1944 and 1943, the effect of the collections in respect of the calendar year 1942 liabilities may be disregarded and the increase in collections in the fiscal year 1944 over those in the fiscal year 1943 may be attributed almost entirely to the change in income levels and methods of taxation in the calendar year 1943 as compared with those of the calendar year 1941. Corporate net income in the calendar year 1943 is estimated to have increased by approximately 50 percent over the calendar year 1941 income, and various

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changes in the Revenue Act of 1942 also account for increased tax liabilities in respect of the calendar year 1943 incomes as contrasted with those of the calendar year 1941. However, only part of the full calendar year 1943 increase in liabilities, roughly 50 percent, is reflected in the fiscal year 1944 receipts.

Current corporation collections from the normal tax and surtax are estimated to be $4,980 millions in the fiscal year 1944 compared with actual collections of $4,137 millions in the preceding fiscal year, an increase of $843 millions or 20.4 percent. As indicated above, a part of the increase is explained by changes made in tax rates and bases by the Revenue Act of 1942 as compared with the provisions of the Revenue Act of 1941. With respect to the calendar year 1941, during which the Revenue Act of 1941 was in effect, corporations with normal tax net income of $25,000 or less were taxed at bracket rates of 15 percent, 17 percent, and 19 percent for the income classes 0 to $5,000, $5,000 to $20,000, and $20,000 to $25,000, respectively. Corporations with normal tax net income in excess of $25,000 were taxed at a rate of 24 percent, or alternatively the portion of normal tax net income under $25,000 was taxed at the bracket rates that were applicable to corporations with normal tax net income under $25,000, and the portion in excess of $25,000 was taxed at a 37 percent rate. The alternative method resulted in a lower tax, provided that normal tax net income did not exceed $38,461.54. Above that net income it was advantageous to the corporation to compute the normal tax at the flat rate of 24 percent applicable to its entire normal tax net income.

Under the Revenue Act of 1942, applicable to both 1942 and 1943 incomes, only one change was made in the normal tax rate structure. In the case of the alternative method of computing the tax for corporations with normal tax net income in excess of $25,000, the first $25,000 of normal tax net income was taxed at the bracket rates applicable to corporations having no more than $25,000. This involved no change in the tax rates compared with the Revenue Act of 1941. However, the portion of normal tax net income in excess of $25,000 was taxed at a rate of 31 percent rather than at the 37 percent rate existing under previous law. The alternative method resulted in a lower tax than the flat rate method if normal tax net income did not exceed $50,000.

In addition to the normal tax, corporations were subject to a surtax on both their 1941 and 1943 incomes. However, the surtax rates were higher under the Revenue Act of 1942 than under the preceding law. If surtax net income was not over $25,000, the rate was increased to 10 percent from the 6 percent rate prevailing under the Revenue Act of 1941. On surtax net income over $25,000 but not over $50,000, the rate on the first $25,000 was also increased to 10 percent under the Revenue Act of 1942 from 6 percent in the preceding

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Revenue Act, and the rate on the next $25,000 of surtax net income was increased to 22 percent from 7 percent under the Revenue Act of 1941. On surtax net income over $50,000, the 1942 act rate was 16 percent on the first $25,000 compared with 6 percent under previous law, while on surtax net income over $25,000 the rate was increased to 16 percent from the 1941 act rate of 7 percent. The potential revenue effect of the increase in the corporation surtax rate structure was reduced by the allowance in 1943 of income subject to excess profits tax as a deduction in computing normal and surtax net income, whereas under the Revenue Act of 1941 the excess profits tax and not the income subject to the excess profits tax was deducted in computing normal tax and surtax net income.

Excess profits tax collections in the fiscal year 1944 are estimated at $7,567 millions, an increase of $2,723 millions or 56.2 percent over actual collections of $4,844 millions from this tax in the fiscal year 1943. Inasmuch as excess profits tax receipts are collected in the same manner as corporation income taxes, a comparison of the calendar years 1943 and 1941 explains, in the main, the increase in receipts in the fiscal year 1944 over the fiscal year 1943. In 1941, corporations using the invested capital method in computing their excess profits credit were allowed a credit of 8 percent on the first $5 millions of invested capital and a credit of 7 percent on invested capital in excess of $5 millions. In 1943, the credit was still 8 percent on the first $5 millions and 7 percent on the amount in excess of $5 millions but not over $10 millions; but on the amount in excess of $10 millions but not in excess of $200 millions the credit was 6 percent instead of 7 percent, and on invested capital over $200 millions the credit was 5 percent instead of 7 percent. On the other hand, corporations using the average earnings method had a greater excess profits credit in 1943 than in 1941. In 1941, base period net income was an average of the net income of the years 1936 to 1939, inclusive, with an allowance of one deficit year as zero. Under the Revenue Act of 1942, which first applied to calendar year 1942 incomes, the net income of the lowest year of the base period could be set at a minimum of 75 percent of the average net income of the remaining three years in the base period.

The excess profits tax effective rate applicable in the calendar year 1943 was substantially higher than the effective rate in the calendar year 1941. In 1941, excess profits rates varied from 35 percent to 60 percent, depending upon the absolute size of adjusted excess profits net income. In 1943, a flat rate of 90 percent applied except where the combined income and excess profits tax exceeded 80 percent of surtax net income before deduction of the adjusted excess profits net income, in which case the excess profits tax was reduced by the amount necessary to reduce the over-all rate to 80 percent. In addi-

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tion, corporations, in 1943, were allowed a post-war credit of 10 percent of the excess profits tax in the form of noninterest-bearing bonds maturing at specified periods after the cessation of hostilities in the present war. Part of the gross post-war credit could be deducted currently from the excess profits tax paid. The amount taken currently for debt retirement might equal 40 percent of debt retired during the taxable year, provided it did not exceed the gross post-war credit. The net post-war refund to corporations is estimated to be $545 millions in the fiscal year 1944 and is included in estimated receipts. This sum, however, does not represent the amount of bonds issued in this fiscal year, since there is a statutory lag between the final payment of their excess profits tax by the corporation and the issuance of the bonds. No excess profits tax post-war credit was allowed under the Revenue Act of 1941.

The Revenue Act of 1942, applicable to incomes in the calendar year 1943, made many other changes in corporation income and excess profits taxes, most of which decreased the yield of these taxes. For example, (1) the privilege of consolidated returns was extended to permit the filing of consolidated returns for normal tax and surtax purposes as well as for excess profits tax calculation, but if the corporation elects to file consolidated returns it must pay an additional tax of 2 percent of surtax net income, (2) the method of computing depletion based on a percentage of gross income was extended to fluorspar, ball and sagger clay, and rock asphalt, (3) a credit, allowed against the corporation surtax only, equal to the amount of dividends paid on preferred stock was allowed to public utilities furnishing telephone service or selling electrical energy, gas, or water, and (4) income derived from the excess output of corporations engaged in the extraction of certain minerals was made nontaxable for excess profits tax purposes. The amount of excess output was based on the relation of production in the taxable year as compared with production in the base period 1936–39, inclusive.

Certain of the changes which were made in the Revenue Act of 1942 did not affect receipts directly: (1) a 2-year carry-back of net operating losses was allowed in computing net income, (2) in the calculation of the excess profits credit a 2-year carry-back of unused excess profits credit was permitted—both of these were in addition to the 2-year carry-forward of net operating losses and unused excess profits credit also permitted, and (3) provision was made to alleviate the problems of corporations whose basic inventories are depleted because of war shortages. When these inventories are replaced, the corporation may recalculate its tax using an inventory valuation based on replacement cost in the year of replacement. The full effect of most of these changes will never be reflected in Government receipts, since

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part of the effect will result in an increase in Government expenditures as refunds are made to taxpayers.

Collections from the declared value excess profits tax (current and back) are estimated at $100 millions in the fiscal year 1944 compared with actual receipts of $82 millions in the fiscal year 1943. This represents an increase of $18 millions or 21.3 percent, and is attributable mainly to the materially higher income levels in the calendar year 1943 as compared with the calendar year 1941.

Collections of corporation back income and excess profits taxes, and the unjust enrichment tax, are estimated at $1,109 millions in the fiscal year 1944, an increase of $503 millions or 83.1 percent over actual receipts of $606 millions in the fiscal year 1943.

Miscellaneous internal revenue.—Miscellaneous internal revenue receipts in the fiscal year 1944 are estimated at $5,161 millions, an increase of $609 millions or 13.4 percent over actual receipts in the fiscal year 1943. The bulk of miscellaneous internal revenue is derived from levies incident to the sale of goods or services. The exceptions to this are capital stock, estate, and gift taxes, the revenues from which are estimated at $888 millions in the fiscal year 1944. The estimated collections from miscellaneous internal revenue taxes, excluding those from capital stock, estate, and gift taxes, are $4,272 millions in the fiscal year 1944, an increase of $479 millions or 12.6 percent over corresponding collections in the fiscal year 1943. Moderate increases are expected in the receipts from the majority of the principal taxes in this group. The only exceptions among the levies incident to the sale of goods or services that yield as much as $20 millions are the tax on the use of motor vehicles, the manufacturers' excise tax on gasoline, the tax on manufactured chewing and smoking tobacco, and nonrecurring liquor floor stocks taxes.

Collections from the capital stock tax are estimated at $383 millions in the fiscal year 1944 as compared with actual receipts of $329 millions in the preceding fiscal year. Collections in both years reflect a tax rate of $1.25 per thousand dollars of declared valuation of its capital stock. The capital stock valuation reflected in collections in the fiscal year 1944 is the basis for determining net income subject to the declared value excess profits tax in the calendar year 1943. Collections in the fiscal year 1943 represent the valuation of capital stock for declared value excess profits tax computation in the calendar year 1942. Inasmuch as the Revenue Act of 1942 allowed corporations a completely new valuation of capital stock every year instead of every three years under previous law, the increase in capital stock tax collections in the fiscal year 1944 over collections of the preceding fiscal year is attributable to the relative income levels in the 2 calendar years.

Estate tax receipts are estimated to be $461 millions in the fiscal year

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1944. This is an increase of $46 millions or 11.1 percent over actual receipts of $415 millions in the fiscal year 1943. The increase is primarily attributable to the higher rates instituted by the Revenue Act of 1941 which affected collections for a full year in the fiscal year 1944. In the fiscal year 1943 the Revenue Act of 1941 rates were effective only on approximately 50 percent of the returns filed during the year because of the statutory lag of 15 months between the date of death and the date of filing the return. The Revenue Act of 1942, applicable to a portion of the returns filed in the fiscal year 1944, substitutes one $60,000 specific exemption for the former specific exemption and insurance exclusion of $40,000, each resulting in some loss of revenue, and changes the powers of appointment and the treatment of community property, resulting in some increase in revenue. The net effect of these changes results in a small increase in revenue. The factors mentioned above, together with an increase in the value of estates for which returns were filed, are responsible for the estimated increase in receipts.

Gift tax receipts in the fiscal year 1944 are estimated to be $45 millions, an increase of $12 millions or 35.9 percent over the actual receipts of $33 millions in the fiscal year 1943. The receipts include the bulk of the tax liabilities incurred with respect to gifts made during the calendar year 1943 subject to the gift tax provisions of the Revenue Act of 1942. The increase is the result of an estimated increase in the value of property transferred by gift during the calendar year 1943 and of changes in legislation. Under the Revenue Act of 1942, the annual exclusion was reduced from $4,000 to $3,000 for each donee and the specific exemption was reduced from $40,000 to $30,000.

Collections from the liquor taxes are estimated at $1,509 millions, an increase of $86 millions or 6.0 percent over actual collections in the previous fiscal year. If the nonrecurring floor stocks taxes were eliminated from the comparison, the increase would be $170 millions or 12.9 percent. The collections from taxes on distilled spirits, $897 millions, and on fermented malt liquors, $510 millions, account for 93.2 percent of the estimated total collections of the group and represent increases of $115 millions and $54 millions, respectively. The increase in collections from the group as a whole reflects a full year's collections at the higher tax rates on distilled spirits, wines, and fermented malt liquors provided in the Revenue Act of 1942 as compared with only 8 months' collections at these rates in the previous fiscal year. The effect of the increased rates is reinforced in the case of fermented malt liquors and wines by an expected increase in tax-paid withdrawals. The tax-paid withdrawals of distilled spirits are declining, since current production of alcohol is entirely for war uses, but larger imports of distilled spirits are a sustaining factor.

Total tobacco tax collections are estimated at $988 millions, an

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increase of $73 millions or 8.0 percent more than in the fiscal year 1943. The tax on cigarettes is estimated to yield $904 millions and to account for $69 millions or 94.3 percent of the total increase for the group. The estimated yield from the tax on cigars, $30 millions, increases by $7 millions or 29.1 percent, the largest percentage increase of the group. This increase is caused principally by a shift to a more expensive type of cigar subject to a higher rate of tax. These increases reflect the first full year of collections at the higher rates imposed by the Revenue Act of 1942, greater consumer purchasing power, and some shift from the use of manufactured chewing and smoking tobacco to the smoking of cigarettes and cigars. A slight decline is anticipated in the revenue derived from chewing and smoking tobacco, which is estimated at $45 millions as compared with $48 millions in the fiscal year 1943.

Total stamp tax collections are estimated to yield $55 millions, an increase of $10 millions or 22.8 percent over the fiscal year 1943. The effect upon collections of some increases in new security issues and in real estate and stock transfers is expected to be partly offset by a smaller amount of playing cards produced for civilians.

The manufacturers' excise taxes are practically unchanged in the aggregate. They are estimated to yield $497 millions as compared with $487 millions in the fiscal year 1943, an increase of 1.9 percent. Wherever a decrease is effected, it results from curtailment in civilian supply because of rationing, reduced production for civilians, or a lower stock of goods on hand. The tax on gasoline, by far the most productive of revenue in the entire group, is expected to yield $273 millions or 55.0 percent of the total. This represents a decrease of $16 millions or 5.4 percent attributable to the imposition of Nation-wide rationing on December 1, 1942, and to cuts in civilian rations. The manufacturers' excise taxes on passenger cars, automobile trucks, appliances, radio sets, etc., refrigerators, business and store machines, sporting goods, luggage, and light bulbs each yields a small amount, less than $10 millions, and all show declines as compared with the fiscal year 1943. The apparent increase in the tax on lubricating oils, $53 millions as compared with $43 millions, is explained by the existence of lower tax rates during 5 months of the fiscal year 1943. The tax on parts and accessories for automobiles yielding $28 millions is estimated at $8 millions more than in the fiscal year 1943 because of the mounting need for replacement parts to maintain operation of essential vehicles. The tax on tires and inner tubes is estimated to increase from $18 millions to $42 millions, representing improved production for essential civilian requirements following drastic curtailment in the previous fiscal year. The slight increase in the tax on electrical energy, from $49 millions to $50 millions, is attributable chiefly to the lifting of dimout regulations. Nominal increases are

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expected in the tax on photographic apparatus because of some improvement in the civilian supply situation, and in the tax on matches because of some increase in production.

Total retailers' excise taxes, estimated to yield $184 millions, are $18 millions in excess of the receipts in the fiscal year 1943. Of this increase, $14 millions result from higher prices and increased demand for jewelry. Moderate increases in collections are expected from the tax on furs and from the tax on toilet preparations.

The miscellaneous tax group is estimated to yield $1,039 millions, an increase of $282 millions or 37.2 percent. The only substantial decrease, aside from certain repealed taxes which account for a reduction of approximately $28 millions, is in collections from the tax on the use of motor vehicles and boats, which is expected to decrease from $147 millions to $135 millions because of a decline in registrations. Estimated revenue from each of the other miscellaneous taxes either holds substantially unchanged or increases significantly. The taxes on communications and transportation account for the bulk of the increases. Thus the yield of the tax on telephone and telegraph facilities, etc., is increased by $43 millions or 47.6 percent, and receipts from the tax on the telephone bill are increased by $23 millions or 34.7 percent. The tax on transportation of persons is estimated to produce an increase of $84 millions or 96.3 percent, and the tax on transportation of property an increase of $122 millions or 148.3 percent. These increases in revenue from the taxes on communications and transportation reflect the first full year of operation at the higher rates imposed by the Revenue Act of 1942 as well as increased incomes and greater use of facilities. The receipts from the tax on admissions are estimated to increase by $25 millions or 16.0 percent as a result of higher price and income levels, and the receipts from the tax on coin-operated amusement and gaming devices to increase by $7 millions or 66.9 percent as a result of increased rates on slot machines. Small increases in the yield of the tax on the processing of sugar and of the tax on coconut and other vegetable oils result from an improved import situation; of the oleomargarine tax, because of the butter shortage; of the tax on the transportation of oil by pipe line, because of expanded pipe line facilities; and of the taxes on club dues and initiation fees and leases of safe deposit boxes, because of higher incomes.

Employment taxes.—Total employment tax receipts in the fiscal year 1944 are estimated to be $372 millions greater than actual receipts of $1,498 millions in the fiscal year 1943, an increase of 24.9 percent.

The increase over the fiscal year 1943 receipts is attributed in greater part to a higher level of taxable pay rolls reflected in the fiscal year 1944 receipts, but also results in part from an increase in the tax rate under the Federal Insurance Contributions Act applicable to the

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salaries and wages of the one month, March 1944. Under Public Law 221, approved December 22, 1943, the rate advances from 1 to 2 percent both on employers and employees, effective on wages paid beginning March 1, 1944. Because of a 3 months' lag in collections, the rate increase applicable to salaries and wages paid after March 1944 does not affect receipts in the fiscal year 1944.

Receipts from the tax imposed by the Federal Insurance Contributions Act are estimated at $1,423 millions in the fiscal year 1944. This is an increase of $292 millions or 25.8 percent over actual receipts of $1,131 millions in the fiscal year 1943.

Receipts under the Federal Unemployment Tax Act are estimated to be $191 millions, an amount which exceeds actual receipts in the fiscal year 1943 by $33 millions or 20.9 percent.

Estimated receipts under the Carriers Taxing Act of 1937 amount to $256 millions, an increase of $47 millions or 22.7 percent over actual receipts in the fiscal year 1943. The estimated increase over the fiscal year 1943 receipts is attributable to higher taxable railroad pay rolls and to an increase in the tax rate from 3 to 3.25 percent both on the carriers and their employees, effective throughout the entire fiscal year 1944 as compared with only 3 months of the fiscal year 1943.

Total internal revenue.—Total internal revenue, which is the summation of the estimated receipts discussed in detail above, is estimated at $39,703 millions in the fiscal year 1944 compared with actual receipts of $22,143 millions in the fiscal year 1943, an increase of $17,561 millions or 79.3 percent. A detailed tabulation of the foregoing estimates is in the table on page 764.

Railroad unemployment insurance contributions.—Railroad unemployment insurance contributions in the fiscal year 1944 are estimated to be $12 millions, exceeding actual receipts in the fiscal year 1943 by $2 millions or 15.9 percent. These receipts represent 10 percent of the 3 percent tax on covered pay rolls, the other 90 percent being deposited to the credit of the railroad unemployment insurance account in the unemployment trust fund.

Customs.—Receipts from the collection of customs, which include various import taxes paid and collected in the same manner as duties imposed by the Tariff Act of 1930, are estimated to be $420 millions in the fiscal year 1944. This is an increase of $96 millions or 29.5 percent over actual receipts of $324 millions in the fiscal year 1943. The marked improvement in the shipping situation, giving freer access to sources of foreign supply, the further relaxing of restrictions on the types of commodities which are allowed to be imported, and the continuing need for importing materials which replace or supplement domestic supplies for war activity or for lend-lease or domestic

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consumption are factors contributing to the estimated increase in receipts.

Miscellaneous receipts.—Miscellaneous receipts in the fiscal year 1944 are estimated to be $2,443 millions, an increase of $1,536 millions or 169.2 percent over the receipts amounting to $907 millions in the fiscal year 1943. The increase is due in large part to the recovery of excessive profits on renegotiated war contracts as provided in section 403 of Title 4 of the Sixth Supplemental National Defense Appropriation Act (Public Law 528, 77th Cong., as amended). The amount of these recoveries for the fiscal year 1943 is much smaller than the amount estimated for the fiscal year 1944. The estimated amount of recoveries on renegotiated war contracts in the fiscal year 1944 is estimated to be $1,733 millions or 70.9 percent of total miscellaneous receipts. These recoveries include excessive profits, which would have been collected as taxes if the corporation had filed a definitive tax return prior to the determination of the amount of excessive profits, plus the excessive profits which would not have been collected as taxes, regardless of when renegotiation took place relative to filing of the definitive return.

Fiscal year 1945

Total receipts in general and special accounts in the fiscal year 1945 are estimated at $43,425 millions, an increase of $847 millions or 2.0 percent over the estimated receipts in the fiscal year 1944. However, a decrease of $417 millions is anticipated in net receipts in general and special accounts since net receipts do not reflect the portion of the increase in employment tax receipts which follows the automatic increase of the Federal Insurance Contributions Act tax rate from 2 to 4 percent on March 1, 1944. This increase is contained in the automatic appropriation for Federal old-age and survivors insurance trust fund.

Because of the trend of estimates of Government expenditures, appearing elsewhere in this report, a peak in production and in the incomes of individuals and corporations is expected at some time in the calendar year 1944, but because of statutory lags in collections, the estimated receipts in the fiscal year 1945 do not fully reflect the expected plateau in business activity. While net receipts show a decline as compared with the fiscal year 1944, this is not due to reduced production and incomes. The decrease occurs in individual income tax reeceipts because of the larger amount of nonrecurring payments in the fiscal year 1944, the first year of operation under the Current Tax Payment Act of 1943, and in the portion of miscellaneous receipts originating from renegotiation of war contracts. The balance of miscellaneous receipts, the corporation income and excess profits tax receipts, receipts from employment taxes after deduction of the net

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appropriation for the Federal old-age and survivors insurance trust fund, and customs receipts all show increases.

Since receipts other than from employment taxes in the fiscal years 1944 and 1945 are practically all determined under the Revenue Act of 1942 and the Current Tax Payment Act of 1943, legislative revision exerts but little additional effect upon the relative tax yields in the two fiscal years.

Income taxes.—Estimated income and excess profits tax receipts, including back tax collections, are practically the same in the fiscal year 1945, $32,605 millions, as in the fiscal year 1944, $32,673 millions. An estimated decrease of $1,324 millions in individual income tax receipts is balanced by an estimated increase of $1,257 millions in corporation income and excess profits tax receipts.

Total individual income tax receipts are estimated at $17,593 millions in the fiscal year 1945. This represents a decrease of $1,324 millions or 7.0 percent under the estimated receipts in the fiscal year 1944.

Receipts in the fiscal year 1945 from withholdings are estimated to increase by $279 millions because of a higher level of salaries and wages and the first full-year effect of the changed withholding provisions under the Current Tax Payment Act of 1943. The increase of the withholding rate under the Current Tax Payment Act of 1943 and the fact that the withholdings of employers who withhold $100 or more now are customarily received in the subsequent month instead of after a lag of one quarter result in greater and more current receipts.

The receipts in the fiscal year 1945 from withholdings on salaries and wages earned in the fiscal year 1944 approximately balance the withholdings on salaries and wages earned in the fiscal year 1945 which will not be received until the fiscal year 1946, so that the fiscal year 1945 does reflect the full-year effect of the Current Tax Payment Act of 1943. However, the receipts in the fiscal year 1944 from withholdings on salaries and wages earned from April 1943 until the first pay period beginning in July 1943 under the Revenue Act of 1942 are less than the withholdings under the Current Tax Payment Act of 1943 on a portion of the salaries and wages earned in the last quarter of the fiscal year 1944 which are not received until the fiscal year 1945.

Despite the anticipated increase in receipts from withholdings, total individual income tax receipts in the fiscal year 1945 are estimated to decrease because of the several types of receipts in the fiscal year 1944 which do not recur in the fiscal year 1945, as has been described in detail under the subheading "Income taxes" for the fiscal year 1944. These nonrecurring receipts arise from tax payments made in June 1943 which were not officially recorded as receipts until July 1943 because of the large number of partial payments made just prior to the effective date of the Current Tax Payment Act of 1943;

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payment in the fiscal year 1944 of additional liabilities under the Current Tax Payment Act of 1943 based on the excess of the calendar year 1942 over the calendar year 1943 liabilities of those taxpayers whose incomes decreased in the calendar year 1943; and the unusual proportion of the calendar year 1943 liabilities which is paid in the fiscal year 1944 by taxpayers with increased incomes in the calendar year 1943, characteristic only of the first year of operation of the Current Tax Payment Act of 1943. Thus, the actual amount of the calendar year 1944 liabilities received in the fiscal year 1945, although computed on a higher level of income, is less than the amount of the calendar year 1943 liabilities received in the fiscal year 1944. The calendar year 1945 liabilities received in the fiscal year 1945 are about the same as the calendar year 1944 liabilities received in the fiscal year 1944.

A payment will be received in the fiscal year 1945 but not in the fiscal year 1944 under the provision of the Current Tax Payment Act of 1943 which imposes an additional increase of tax when there is an increase amounting to $20,000 or more over surtax net income of a base year (1940, 1939, 1938, or 1937). A payment of at least 25 percent of this additional tax is required in the fiscal year 1945.

The provision in the Current Tax Payment Act of 1943 which requires payment of 25 percent of the lower of the liabilities of the calendar year 1942 or 1943, thus effectively remitting only 75 percent, is expected to affect receipts in the fiscal years 1944 and 1945 in approximately equal proportions.

Collections of back taxes under the individual income tax are estimated at $305 millions in the fiscal year 1945. This represents an increase of $5 millions over estimated receipts in the fiscal year 1944. The increase is caused by the constantly increasing liabilities for individual income tax in previous years from which back taxes are derived. The increase is relatively small because of an exceptional amount of back taxes collected in one month in the fiscal year 1944.

Total corporation income, excess profits, and declared value excess profits tax receipts, excluding collections of back income and excess profits taxes, are estimated at $13,770 millions, an increase of $1,124 millions or 8.9 percent over estimated collections of $12,647 millions in the fiscal year 1944. The increase in collections from the excess profits tax provides 72.2 percent of the total increase in collections from these taxes.

In the comparison of collections in the fiscal years 1943 and 1944, the difference was ascribed partly to the relative income levels of the calendar years 1943 and 1941 inasmuch as collections of the liability year 1942 were distributed about evenly between the 2 fiscal years, and partly to changes in the rates and provisions of the Revenue Act of 1942 as compared with those of the Revenue Act of 1941. Simi-

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larly, in a comparison of collections in the fiscal years 1944 and 1945, the explanation of results may be limited to a comparison of the tax liabilities in respect of the incomes for the calendar years 1944 and 1942. Since the bases, rates and other provisions of the Revenue Act of 1942 (described above in the explanation of comparative collections in the fiscal years 1943 and 1944) were applied in both the calendar years 1942 and 1944, the change in collections must be attributable to changes in corporation income and to differences in the various deductions or relief provisions utilized by the corporations in the 2 years. The income of corporations having net income is estimated as approximately 18 percent higher in the calendar year 1944 than 1942. This increase in income would appear to be the chief factor accounting for greater collections.

Corporation current income tax collections in the fiscal year 1945 are estimated at $5,289 millions, an increase of $309 millions or 6.2 percent over estimated collections of $4,980 millions in the previous fiscal year.

Corporation current excess profits tax collections in the fiscal year 1945 are estimated at $8,378 millions compared with $7,567 millions in the fiscal year 1944, an increase of $811 millions or 10.7 percent. The increase results almost entirely from the estimated higher income levels in the calendar year 1944 over those existing in the calendar year 1942. The fiscal year 1945 collections include net post-war credit refunds amounting to $624 millions, which does not represent the amount of bonds issued by the United States to corporations during this period since there is a statutory lag between the payment of the excess profits tax and the issuance of the bonds.

Declared value excess profits tax collections in the fiscal year 1945 are estimated at $104 millions, an increase of $4 millions or 3.8 percent over estimated collections of $100 millions in the fiscal year 1944. The increase results principally from the higher income levels estimated for the calendar year 1944 as compared with incomes in the calendar year 1942. The same law in respect of computation of the tax liability was applicable to both years.

Collections of corporation back income and excess profits taxes and the unjust enrichment tax are estimated at $1,242 millions in the fiscal year 1945, an increase of $133 millions or 12.0 percent over estimated collections of $1,109 millions in the previous fiscal year.

Miscellaneous internal revenue.—Total miscellaneous internal revenue receipts in the fiscal years 1945 and 1944 are estimated to be almost exactly the same, $5,164 millions and $5,161 millions, respectively. No outstanding increases or decreases in the yield of any of the major categories of taxes included in this grouping are anticipated. Some easing in the restrictions on civilian supply and increases in imports are responsible for the majority of the anticipated increases in

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the yield of levies incident to the sale of commodities, and some slackening of demand, exhaustion of inventories, and continued restriction of production for civilians account for the majority of decreases. The larger revenue producers, such as the taxes on distilled spirits and fermented malt liquors, small cigarettes, gasoline, communications, and transportation, and of course the capital stock and estate and gift taxes, are not expected to benefit in any material degree from increased availability of goods and services for civilians.

Capital stock tax collections in the fiscal year 1945 are estimated at $394 millions compared with $383 millions in the fiscal year 1944, an increase of $11 millions or 2.8 percent. This increase results for the most part from the increase in income levels estimated for the calendar year 1944 as compared with the calendar year 1943.

Estate tax collections are estimated to be $475 millions in the fiscal year 1945, an increase of $14 millions or 3.0 percent over estimated collections in the fiscal year 1944. The increase is accounted for primarily by an estimated increase in the value of estates for which returns will be filed. The Revenue Act of 1942, applicable to practically all returns filed in the fiscal year 1945, made changes in the law which will increase the receipts by a small additional amount.

The gift tax collections in the fiscal year 1945 are estimated to be $46 millions. This is an increase of $1 million or 2.0 percent over estimated receipts in the fiscal year 1944. The Revenue Act of 1942 is applicable to both the fiscal year 1944 and the fiscal year 1945 and so the increase is entirely attributable to an increase in the estimated value of gifts made in the calendar year 1944, on which the tax will be collected largely in the fiscal year 1945.

The liquor taxes as a group are estimated to yield $1,482 millions, a decrease of $27 millions or 1.8 percent as compared with the fiscal year 1944, approximately equal to the $28 million decrease in nonrecurring liquor floor stocks taxes. Because of a higher rate of imports, receipts from the tax on distilled spirits are estimated at $906 millions, an increase of $9 millions or 1.0 percent. The decrease in the yield of the tax on fermented malt liquors from $510 millions to $503 millions or 1.4 percent is principally attributable to larger tax-free overseas shipments, but also to transportation, container, and material problems which make it impossible to satisfy increased civilian demand. No change is expected in the revenue from the tax on wines, estimated at $37 millions.

The tobacco tax group is estimated to yield $974 millions in the fiscal year 1945, a decrease of $15 millions or 1.5 percent as compared with the previous fiscal year. Collections from the tax on cigarettes, estimated to yield $879 millions, are $26 millions or 2.8 percent less than the estimate for the fiscal year 1944. Increased tax-free shipments overseas are expected to result in a supply below the civilian

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demand. Revenue from the tax on cigars is estimated to increase sharply by $11 millions or 35.9 percent to $41 millions in the fiscal year 1945, partly as a result of some increase in production with an easing of the labor shortage, but primarily because of a shift to higher-priced brands, which are taxed at higher rates. The tax on manufactured tobacco shows no substantial change in yield in the 2 years.

The yield of the stamp tax group, estimated at $59 millions, is $3 millions or 5.6 percent greater than in the fiscal year 1944. The increase results chiefly from an expectation of some further increases in issues of new securities and real estate transfers, partly offset by a smaller volume of stock transfers and a reduction in the amount of playing cards available for civilians.

The manufacturers' excise tax group is estimated to yield $524 millions in the fiscal year 1945, an increase of $27 millions or 5.5 percent over the estimate for the fiscal year 1944. The most important single source of revenue in this group, the gasoline tax, is estimated to yield $260 millions, a decrease of $13 millions or 4.7 percent because of heavy military demands. Receipts from the tax on lubricating oils, $52 millions, are expected to decrease nominally for the same reason. Further small decreases in tax yields are expected from manufacturers' excise taxes on a number of commodities whose production already has been drastically curtailed, and for which a possible improvement in civilian production will be insufficient to offset a decline in inventories. These include the following: Passenger automobiles and motorcycles; radio receiving sets, phonographs, phonograph records, and musical instruments; and household refrigerators, refrigerating apparatus, and self-contained air conditioners. A number of taxes whose yields are expected to increase as the result of enlarged production or allotment for essential civilian needs, or as the result of an easing of material shortages, includes automobile trucks, busses, and trailers; parts and accessories for automobiles; electric, gas, and oil appliances; electric light bulbs; business and store machines; photographic apparatus; sporting goods; and tires and inner tubes. The increase in yield of the tax on tires and inner tubes from $42 millions to $72 millions or 71.4 percent is the greatest for the group, and results from an expected increase in production of tires and tubes for essential civilian uses. No significant change in the yields of the taxes on electrical energy and matches is expected.

The retailers' excise tax group is estimated to yield $184 millions in 1945, almost exactly the same as in 1944. An increase of $3 millions from the retail tax on jewelry, resulting from higher prices, is offset by a reduction of $2 millions from the tax on toilet preparations. The estimated revenue from the retail tax on furs is unchanged from 1944.

The miscellaneous tax group is estimated to yield $1,028 millions

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in the fiscal year 1945 as compared with $1,039 millions in the previous year. Receipts from the taxes on communications, transportation, admissions, use of motor vehicles and boats, and the sugar tax account for $988 millions or 96.2 percent of the total. An expected continuation of the upward trend in the noncommercial use of communication facilities but at a less rapid rate, offset by a falling off in commercial use, results in no significant change in receipts from the combined tax on telephone and telegraph facilities and local telephone service, estimated at $227 millions. The yield of the tax on transportation of persons, $184 millions, is estimated to increase by $13 millions or 7.5 percent because of wider railroad travel by civilians at the same time that the travel by troops levels off, because of a larger proportion being overseas. The tax on the transportation of property, estimated to yield $188 millions, represents a decline of $17 millions or 8.3 percent because of an anticipated lower level of production. The continued rise of admission prices, offset by a decline in cabaret revenues as a result of manpower and liquor shortages, results in an estimated yield from the tax on general admissions of $183 millions, an increase of $4 millions or 2.3 percent. The downward trend in the yield from the tax on the use of motor vehicles and boats, because of a decrease in registrations, is expected to continue for another year, the yield being $122 millions and the decrease $12 millions or 9.0 percent. No material change is expected in the remaining taxes. The yield from the tax on coin-operated amusement and gaming devices is expected to decrease slightly; but no change, or a slight increase, is expected in the yield from the taxes on club dues and initiation fees, leases of safe deposit boxes, bowling alleys and billiard and pool tables, oleomargarine, coconut and vegetable oils, and from the tax on the processing of sugar.

Employment taxes.—Total employment taxes are estimated to yield $3,169 millions, which exceeds estimated receipts in the fiscal year 1944 by $1,299 millions or 69.5 percent. The greater portion of the increase results from a doubling of the tax rate under the Federal Insurance Contributions Act which will affect receipts from this source throughout the fiscal year 1945. The remaining portion of the increase in total employment taxes represents the effect of higher taxable pay rolls.

Receipts from the tax imposed by the Federal Insurance Contributions Act are estimated at $2,688 millions, an increase of $1,265 millions or 88.9 percent over estimated receipts of $1,423 millions in the fiscal year 1944. Estimated receipts in the fiscal year 1945 represent a tax rate of 2 percent both on employers and employees as compared with a tax rate of 1 percent both on employers and employees in effect for eleven months' liability collected in the fiscal year 1944.

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Estimated receipts under the Federal Unemployment Tax Act in the fiscal year 1945 amount to $203.8 millions. This is an increase of $12.4 millions or 6.5 percent over estimated receipts in the fiscal year 1944 of $191.4 millions.

Receipts under the Carriers Taxing Act of 1937 are estimated to be $277 millions. This amount is $21 millions or 8.3 percent greater than estimated receipts in the fiscal year 1944. No change in the rate of tax occurs within the limits of the two fiscal years; hence the full amount of the increase results from a rise in the level of taxable railroad pay rolls.

Total internal revenue.—Total internal revenue, which is the summation of the estimated receipts discussed in detail above, is estimated at $40,938 millions in the fiscal year 1945 compared with $39,703 millions in the fiscal year 1944, an increase of $1,235 millions or 3.1 percent. A detailed tabulation of the foregoing estimates is contained in the table on page 764.

Railroad unemployment insurance contributions.—Railroad unemployment insurance contributions are estimated to be $13 millions. The increase of $1 million or 7.6 percent over estimated receipts in the fiscal year 1944 is attributable to a greater amount of taxable railroad compensation.

Customs.—Customs receipts are estimated at $438 millions, an increase over estimated receipts in the fiscal year 1944 of $18 millions or 4.3 percent.

Miscellaneous receipts.—In the fiscal year 1945 miscellaneous receipts are estimated at $2,037 millions, a decrease of $406 millions or 16.6 percent from the estimated receipts amounting to $2,443 millions in the fiscal year 1944.

The decrease is due in large part to the smaller amount of recoveries of excessive profits on war contracts in the fiscal year 1945 as compared with the fiscal year 1944. This decrease amounts to $521 millions or 30.0 percent of the recoveries of excessive profits in the fiscal year 1944.

The decrease in recoveries is expected to be due to several factors. For example, increased efficiency in procurement results in a smaller amount of excessive profits, and experience gained in the administration of the renegotiation act results in price reduction and savings in Federal expenditures rather than in recoveries of excessive profits.

For the fiscal year 1945, estimated recoveries on excessive profits represent 59.5 percent of the total estimated miscellaneous receipts as contrasted with 70.9 percent in the fiscal year 1944.

ESTIMATES OF EXPENDITURES

Actual expenditures for the fiscal year 1943 and estimates for the fiscal years 1944 and 1945 are summarized in the following table. Further details will be found in table 100, beginning on page 776. The

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estimates are based upon figures submitted to the Congress in the Budget for 1945.

Actual expenditures for the fiscal year 1943 and estimated expenditures for the fiscal years 1944 and 1945, as exhibited in the Budget for 1945

[In millions of dollars]

General and special accounts	Estimated, 1945	Estimated, 1944	Actual, 1943
War activities	88,200.0	88,500.0	72,108.9
Interest on the public debt	3,750.0	2,650.0	1,808.2
All other	6,004.2	4,801.0	4,261.9
Total expenditures, general and special accounts, excluding statutory debt retirements (daily Treasury statement basis)	97,954.2	95,951.0	78,178.9

NOTE.—Figures are rounded to nearest tenth of a million and will not necessarily add to totals.

Attention is invited to the attached reports of bureaus and divisions of the Treasury Department and to the exhibits and tables accompanying the report on the finances.

HENRY MORGENTHAU, Jr.,
Secretary of the Treasury.

To the SPEAKER OF THE HOUSE OF REPRESENTATIVES.

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ADMINISTRATIVE REPORTS OF BUREAUS AND DIVISIONS

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FISCAL SERVICE OF THE TREASURY DEPARTMENT

The Fiscal Service of the Treasury Department, at the head of which is the Fiscal Assistant Secretary, comprises the Bureau of Accounts, the Bureau of the Public Debt, and the Office of the Treasurer of the United States. Under an order of the Secretary of the Treasury, the Under Secretary, in the event of a vacancy in the office of the Fiscal Assistant Secretary, acts as Fiscal Assistant Secretary and performs all duties and functions assigned to that office. The regular activities of the Fiscal Service are discussed beginning on page 163.

War activities of the Fiscal Service

The Fiscal Service of the Treasury Department has initiated and participated in many activities growing out of the entry of this country into the war. In this connection, the following activities have been closely associated with military operations.

Foreign depositaries.—Shortly after the President's announcement in 1940, relative to the acquisition of sites for naval bases in certain parts of the Western Hemisphere, the Treasury received requests from the War and Navy Departments to designate banks in the vicinity of such bases as depositaries of Government funds in order that Disbursing Officers of the Army and Navy could establish banking facilities for use in connection with the construction and operation of these bases.

After this country's entry into the war, requests for designation of depositaries in other areas increased, and depositaries were established in foreign countries where the armed forces of the United States were in operation.

The widespread activities of the Army and Navy have resulted in increased sales of checks drawn on the Treasurer of the United States and use of United States currency to enable officers of this Government to obtain in foreign countries the necessary local currency for financial operations. Because of disruption in surface transportation, the high cost of insurance, and the uncertainty of the length of time that it would take for foreign banks to receive credit in the United States for the amounts of such checks and currency, the rates of exchange for these transactions threatened to go to a considerable discount against the dollar, and in some cases actually did so before corrective methods were undertaken.

To insure that the officers of this Government receive the fullest value for their sales of official dollar checks and currency, arrangements have been effected with foreign banks whereby they deliver to American consular offices currency and checks drawn on the Treasurer of the United States acquired by such banks. After receipt of the checks and currency, the consular officials inform the Treasury accordingly, by telegraph, and the equivalent dollar amounts are paid to the foreign banks' correspondents in this country. To reduce tele-

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graphic costs to a minimum, accounts in United States dollars have been established with certain foreign banks against which the amount of the checks and currency delivered to the consular offices is charged, obviating the necessity of telegraphic advice each time the deliveries are made. Under the foregoing procedure, the foreign banks are relieved of the responsibility of forwarding the checks and currency to the United States, the insurance charge is eliminated, and reimbursement in their accounts in the United States is received much sooner than would otherwise be possible. As a result of these arrangements, the rates of exchange for checks drawn on the Treasurer of the United States and United States currency sold by officers of this Government for official purposes have been maintained at a much higher level than otherwise would have been possible.

Currency destruction.—As an emergency measure, the Treasury has, in cooperation with the military authorities and local governments, established currency destruction procedures in all areas outside of the continental limits of the United States where such procedures appeared to be desirable, in order to provide for any contingency arising out of the war. To date, no emergency has made it necessary to take advantage of these facilities, but they have been utilized to dispose of currency in outlying areas to avoid shipment to the United States.

Banking facilities for the War and Navy Departments in the United States.—The entry of the United States into the war created an immediate need for additional domestic banking facilities to meet the enlarged training programs of the Army and the Navy. This has resulted in a substantial expansion of the Treasury's depositary system throughout the United States and in the territories and insular possessions, and has necessitated the establishment of banking facilities at Army posts and naval stations.

The War and Navy Departments determined that during the present emergency the establishment of banking facilities within the confines of Army posts and naval stations would facilitate the prosecution of the war. Many posts and stations, with personnel running into scores of thousands, are located at points considerably removed from the nearest banking houses, necessitating many miles of travel by officers of the War and Navy Departments in the conduct of official business. Furthermore, officers and enlisted or civilian personnel engaged in war activities could not leave military reservations during regular banking hours.

Owing to the nature of the business to be transacted, banks, on their own initiative, could not afford to establish banking facilities on military reservations, so the Treasury agreed to provide the urgently needed services through the extension of its existing depositary and financial agency system. The Treasury's program is limited with respect to both the scope of functions to be performed and the duration of the special arrangement. These banking facilities provide for cashing checks, accepting deposits, selling cashiers' checks and money orders, furnishing cash for pay rolls, selling war bonds and stamps, and rendering other related services.

As of June 30, 1943, arrangements had been made with 155 depositaries and financial agents of the Government to establish banking facilities at 169 Army posts and naval stations.

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Bureau of Accounts

The supervision of the administration of the accounting functions and activities in the Treasury Department and all its bureaus, divisions, and offices is exercised under the direction of the Secretary of the Treasury by the Fiscal Assistant Secretary through the Commissioner of Accounts. The function of authorizing the installation, maintenance, revision, and elimination of accounting records, reports, and procedures in the Treasury Department is exercised by the Fiscal Assistant Secretary through the Commissioner of Accounts.

The Commissioner of Accounts, at the head of the Bureau of Accounts, has supervision over the activities and functions of the Division of Bookkeeping and Warrants, Division of Disbursement, Division of Deposits, Section of Surety Bonds, Treasury Budgetary Section, and Section of Investments. The Emergency Relief Accounting Organization, which had been under the supervision of the Commissioner of Accounts, was liquidated during the fiscal year 1943.

The duties and functions of the units under the Bureau of Accounts are discussed in the following pages.

The Commissioner, in collaboration with the Bureau of the Budget and General Accounting Office, also supervises work in the Treasury Department in connection with the development of standards, terminology, classifications, a system of financial reporting, and summary accounts required by Executive Order No. 8512.

Office of Commissioner of Accounts

Budgetary administration and financial reporting.—Under Executive Order No. 8512, dated August 13, 1940, prescribing regulations for the purpose of improving budgetary administration and financial reporting, the Secretary of the Treasury, with the approval of the Director of the Bureau of the Budget, was directed to establish (a) uniform accounting terminology, (b) uniform classifications of assets and liabilities, and revenues and expenditures, and (c) uniform standards for the valuation of assets and the determination of liabilities and the treatment of revenues and expenditures in relation thereto; and to maintain a complete system of summary accounts through which the financial data of the various agencies will be coordinated and integrated.

On March 3, 1942, the order was amended by Executive Order No. 9084, which provides that prior to establishing uniform terminology, classifications, principles and standards, they be referred to the Comptroller General of the United States for consideration and determination as to whether they are in conflict with the forms, systems, and procedures prescribed by the Comptroller General as required by section 309 of the Budget and Accounting Act.

Voting in time of war by members of the land and naval forces.—In order that the members of the land and naval forces, absent in time of war from the place of their residence, might be provided a method of voting, Public Law 712 was enacted on September 16, 1942. Under the provisions of section 10 of this act (see exhibit 86, page 446) the Secretary of the Treasury was authorized to pay to each State the amount estimated by him to be necessary for the purpose of carrying out the provisions of the act, subject to the conditions that the use of such funds be properly accounted for and any unexpended balance be returned to the Secretary of the Treasury upon his demand.

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An appropriation of $1,200,000 was made for the fiscal year 1943, of which not to exceed $5,820 was to be expended for salaries and expenses of the Treasury Department in the District of Columbia. The amount of $3,528.49 was expended for such administrative expenses of the Treasury Department to June 30, 1943.

The following statement, prepared as of June 30, 1943, shows the net payment made to each State and the number of ballots cast by States under the provisions of Public Law 712.

State	Amount of payment (net)	Number of ballots cast	State	Amount of payment (net)	Number of ballots cast
Alabama	$122.38	[1]	Nevada	$1,480.71	357
Arizona	315.13	64	New Hampshire	1,143.74	249
Arkansas	920.69	[1]	New Jersey	15,985.19	[1]
California	4,717.89	60	New Mexico	552.37	217
Colorado	568.73	[1]	New York	4,174.71	1,333
Connecticut	1,892.66	378	North Carolina	2,190.12	250
Delaware	386.21	93	North Dakota	1,741.87	955
Florida	258.79	[1]	Ohio	3,921.83	7,006
Georgia	[2]		Oklahoma	283.41	276
Idaho	203.07	274	Oregon	209.98	645
Illinois	7,142.30	4,000	Pennsylvania	1,768.16	1,172
Indiana	2,089.51	1,700	Rhode Island	561.42	316
Iowa	1,034.52	465	South Carolina	464.71	[1]
Kansas	355.17	282	South Dakota	[3]	
Kentucky	5,529.06	[1]	Tennessee	1,122.77	655
Louisiana	[3]		Texas	194.48	1,567
Maine	[4]		Utah	115.60	73
Maryland	1,759.32	747	Vermont	204.67	37
Massachusetts	2,427.26	566	Virginia	265.96	281
Michigan	1,609.17	643	Washington	3,418.65	477
Minnesota	300.20	672	West Virginia	716.82	290
Mississippi	116.00	99	Wisconsin	[3]	
Missouri	1,393.46	432	Wyoming	108.21	77
Montana	171.89	102			
Nebraska	494.13	264	Total	74,432.92	27,074

[1] Information not available.
[2] Estimate submitted, application for payment not yet received.
[3] Expenses paid by State.
[4] Election held Sept. 14, 1942. Expenses paid by State.

Daily Statement of the United States Treasury.—During the fiscal year 1943, there were several changes in classifications shown on the daily Treasury statement. Beginning with the daily statements during July 1942, information with respect to outstanding Federal Reserve notes, Federal Reserve Bank notes, national bank notes, and the circulation of such notes, was eliminated. The Federal contribution to the District of Columbia for the fiscal year 1943 was shown on page 2 of the daily Treasury statements under the caption "Transfers to trust accounts, etc.", instead of under the caption "General". Expenditures from "Emergency Funds for the President" and "Lend-Lease" funds were previously shown under the caption "War Activities" according to those two classifications. Beginning with the fiscal year 1943 these expenditures were distributed according to the agencies which received allocations of the funds and were included with other war expenditures of such agencies under the caption "War Activities". Other changes in classifications were made as the result of the transfer of functions under Executive Orders Nos. 9198, 9247, 9322, and 9330 issued by the President under the First War Powers Act, 1941.

Annual appraisal of assets and liabilities of the Commodity Credit Corporation.—Under the act approved March 8, 1938 (52 Stat. 107), as amended by Public Law 147, approved July 1, 1941, the Secretary of the Treasury is required to make an appraisal as of March 31 of each

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year of the assets and liabilities of the Commodity Credit Corporation for the purpose of determining the net worth of the Corporation. In the event that any such appraisal shall establish that the net worth of the Corporation is less than $100,000,000, the Secretary of the Treasury is required to restore the amount of the capital impairment, funds for which are appropriated by the Congress. In the event any appraisal shall establish that the net worth of the Corporation is in excess of $100,000,000, such excess must be deposited by the Corporation in the Treasury as miscellaneous receipts. The appraisal as of March 31, 1943, had not been completed on June 30, 1943, inasmuch as Congress had under consideration at that time legislation to change the date and basis for the annual appraisal.

The following statement shows the results of appraisals to March 31, 1942.

		Amount
Appropriations for restoration of capital impairment:		
Act of June 25, 1938 (appraisal as of Mar. 31, 1938, H. Doc. 670, 75th Cong.)		$94,285,404.73
Act of Aug. 9, 1939 (appraisal as of Mar. 31, 1939, H. Doc. 317, 76th Cong.)		119,599,918.65
Act of July 3, 1941 (appraisal as of Mar. 31, 1941, H. Doc. 248, 77th Cong.)		1,637,445.51
Total appropriations		215,522,768.29
Less amount returned to Treasury:		
Appraisal as of Mar. 31, 1940	$43,756,731.01	
Appraisal as of Mar. 31, 1942	27,815,513.68	
		71,572,244.69
Net payments to Corporation to June 30, 1943		143,950,523.60

Securities and funds, Philippine invasion.—The Department continued to receive inquiries and claims relating to valuables salvaged from the Philippine Islands or destroyed to preclude seizure by the Japanese. In a limited number of cases, representatives of gold mining interests established their authority to sell to a United States mint gold bullion held in safekeeping, and the proceeds of the sales have been deposited in blocked accounts in the names of the producers. Also, records, securities, and other valuables deposited by the Manila agencies or branches of American, British, and Dutch banks have been released to representatives located in the United States. The records, securities, and other valuables deposited by Philippine banks and trust companies remain in custody at the Federal Reserve Bank of San Francisco, subject to the order of the Secretary of the Treasury.

Government bonds, checks, personal papers, and other valuables deposited for safekeeping with the United States High Commissioner have been released by the Department in accordance with instructions given by the depositor when the valuables were delivered for safe custody. In the absence of specific instructions, or where the delivery could not be effected, the bonds, checks, or other valuables have been delivered to the Treasurer of the United States for safekeeping.

Considerable effort has been devoted to rebuilding the account of the Treasurer of the United States with the Treasury of the Philippines for the month of December 1941. Deposits and other credits to the Treasurer's account, aggregating in excess of $26 millions, have been analyzed and entered into the Department's records. Charges to the Treasurer's account will be based principally upon a list of 16,528 checks drawn on the Treasurer, aggregating nearly $38 millions. The original checks were destroyed by incineration, but the accuracy of items to be paid by the Treasurer on the basis of the list of checks submitted is being established by verification to check copies, vouchers, or other papers which are now or may become available. As of June 30, 1943, 9,802 items had been definitely identified and verified. It is

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anticipated that it will be possible to verify the greater part of the remaining 6,726 items as additional records are brought to the continental United States.

Advances to Federal Reserve Banks for industrial loans, etc.—Advances to Federal Reserve Banks for industrial loans, etc., were authorized by the act approved June 19, 1934 (48 Stat. 1105), which amended the Federal Reserve Act, as amended, by adding section 13 (b). The provisions under which the Secretary of the Treasury makes these advances were described on pages 184 and 185 of the annual report for 1940.

No advances were made to the banks during the fiscal years 1939 to 1943, the latest advance having been made on October 14, 1937. Amounts received by the Treasury during the year aggregated $197,162.49. The following statement summarizes the transactions in connection with these advances to Federal Reserve Banks.

Advances to Federal Reserve Banks for industrial loans, and payments received by the Treasury to June 30, 1943

Federal Reserve Bank	Advances		Amounts received	
	Maximum authorized	Total to June 30, 1943	During fiscal year 1943	Total to June 30, 1943
Atlanta	$5,272,031.55	$756,934.44	$15,138.69	$39,014.25
Boston	10,230,236.88	2,875,115.98	12,982.03	107,881.06
Chicago	19,748,516.70	1,417,701.33	3,439.47	141,757.27
Cleveland	14,146,863.66	1,015,571.33	6,847.76	74,281.88
Dallas	4,359,338.10	2,251,788.08	25,035.76	99,152.26
Kansas City	4,131,276.30	1,145,717.73	8,309.10	43,513.48
Minneapolis	3,509,467.65	1,007,746.96	76.17	34,884.77
New York	42,529,210.65	7,752,044.63	34,277.14	117,264.22
Philadelphia	14,620,883.52	4,198,400.60	32,097.46	463,443.11
Richmond	5,808,291.43	3,420,662.05	58,958.91	139,481.69
St. Louis	5,093,112.25	547,832.83		5,947.94
San Francisco	9,850,328.30	2,156,795.01		
Total	139,299,556.99	27,546,310.97	197,162.49	1,266,621.93

Appropriations and expenditures under the Social Security Act.—The Social Security Act, approved August 14, 1935, as amended (42 U. S. C., Ch. 7), provides for the establishment of a system of Federal old-age and survivors benefits, and for grants to the several States to enable them to make adequate provision for aged and blind persons, needy, dependent, and crippled children; maternal and child welfare; public health services; and the administration of State unemployment compensation laws.

Section 201 (a) of the Social Security Act Amendments of 1939, approved August 10, 1939, makes permanent appropriations to the Federal old-age and survivors insurance trust fund for the fiscal year 1941 and each year thereafter equal to 100 per centum of the employment taxes received under the Federal Insurance Contributions Act and covered into the General Fund of the Treasury.

The amounts appropriated to June 30, 1943, under the various authorizations contained in the Social Security Act, as amended, and total expenditures from such appropriations to June 30, 1943, are shown in table 12 on page 522. Receipts, expenditures, and investments of the Federal old-age and survivors insurance trust fund and the unemployment trust fund are shown in tables 71 and 73 on pages 680 and 682.

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Colorado River Dam fund.—The Colorado River Dam fund was established under the act of December 21, 1928, which provided for the construction of works commonly referred to as the Boulder Canyon project. All revenues and expenditures pertaining to the fund are under the direction of the Secretary of the Interior.

Under an act of Congress approved July 19, 1940 (54 Stat. 774), the Secretary of the Interior was authorized to promulgate and to put into effect charges for electrical energy generated at the dam site. The act further provides that the receipts from these charges be used to meet costs of operation and maintenance; to repay to the Treasury, with interest, the advances made to the fund for the project; to provide $300,000 annually to each of the States wherein the project is located, namely, Arizona and Nevada, beginning with the year of operation ending May 31, 1938; and to transfer $500,000 annually to the Colorado River development fund beginning with the year of operation ended May 31, 1938.

The act states that the first $25,000,000 of advances made by the Treasury to the Colorado River Dam fund is an allocation for flood control, and repayment may be deferred for 50 years after date of receipt by the fund of such advances, that is, to June 1, 1987, and repayments shall be made at that time in the manner Congress shall determine. For this reason, this sum of $25,000,000 is not included under the caption "Advances" in the statement below.

The act further stipulates that interest charges for purposes of advances and reimbursements shall be computed at the rate of 3 percent, in lieu of the 4 percent rate specified in previous legislation. The statement which follows is on an operating year basis and reflects the necessary revisions required under the act approved July 19, 1940.

Status of Colorado River Dam fund as of close of each operating year, 1933 to 1943

Operating year ending May 31	Advances [1]	Interest on advances	Advances and interest on advances	Interest on amount outstanding preceding year	Reimbursements [2]	Interest on reimbursements	Total amount due
1933	$11,890,532.62	$101,529.95	$11,992,062.57				$11,992,062.57
1934	18,424,397.76	249,674.11	18,674,071.87	$359,761.88			19,033,833.75
1935	23,607,521.44	399,464.48	24,006,985.92	930,776.89			24,937,762.81
1936	19,976,009.81	319,761.45	20,295,771.26	1,678,909.77			21,974,681.03
1937	7,410,641.30	147,073.83	7,557,715.13	2,338,150.21			9,895,865.34
1938	5,685,000.00	88,848.90	5,773,848.90	2,635,026.17	$1,100,000.00	$30,221.91	7,278,653.16
1939	5,590,265.49	74,926.12	5,665,191.61	2,853,385.76	4,600,000.00	67,101.35	3,851,476.02
1940	4,050,000.00	67,278.68	4,117,278.68	2,963,930.04	3,500,000.00	56,377.05	3,529,831.67
1941	4,800,000.00	87,875.34	4,887,875.34	3,074,824.99	7,000,000.00	93,780.80	868,919.53
1942 [3]	3,546,585.62	56,152.98	3,602,738.60	3,100,892.58	2,000,000.00	41,753.42	4,661,877.76
1943	4,700,000.00	99,139.68	4,799,139.68	3,240,748.91	2,000,000.00	10,849.32	6,029,038.27
Total	109,680,954.04	1,691,725.52	111,372,679.56	23,181,407.20	20,200,000.00	300,083.85	[4] 114,054,002.91

[1] Excludes $25,000,000 of advances allocated to flood control, repayment of which is deferred to June 1, 1987.
[2] Reimbursements have been applied toward reduction of "interest on advances."
[3] Revised to reflect return of unexpended balance of National Industrial Recovery allocation in the amount of $3,414.38 and the interest thereon.
[4] Includes $4,373,048.87 representing unpaid interest.

Division of Bookkeeping and Warrants

The Division of Bookkeeping and Warrants, in the name of the Secretary of the Treasury, issues all warrants on the Treasurer of the United States, and under section 10 of the act of July 31, 1894 (5 U. S. C. 255), maintains the official accounts relating to the receipt,

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appropriation, and expenditure of the public moneys, covering all departments and establishments of the Government. The Division makes analyses of acts of Congress carrying appropriations and maintains the necessary appropriation accounts on its ledgers; it issues warrants for placing disbursing funds to the credit of disbursing officers, for the payment by the Treasury of claims settled by the General Accounting Office, and for covering into the Treasury the revenues and receipts of the Government. It handles the work involved in connection with the approval of the issuance of duplicate checks (sec. 9 of the Government Losses in Shipment Act). The Division also compiles and publishes an annual digest of the appropriations made by Congress. The volume of work performed in the Division during the fiscal year 1943 was greatly increased by war activities.

Donations accepted by the Secretary of the Treasury under the Second War Powers Act, 1943, which are handled and accounted for in the Division, showed a decided increase over the fiscal year 1942. Details concerning these war contributions will be found on page 127 of this report.

Financial reports.—There is compiled and published, in accordance with U. S. C. Title 5, Sec. 264, an annual Combined Statement of Receipts, Expenditures, and Balances of the United States Government, designating the amounts of receipts, whenever practicable, by ports, districts, and States, and the expenditures by each separate head of appropriation. This report is required to be submitted to the Congress on the first day of the regular session in each year.

Other financial statements pertaining to the receipts, appropriations, and expenditures of the Government and its various agencies are prepared periodically during the year for inclusion in the daily Treasury statement, the monthly Treasury Bulletin, and the Annual Report of the Secretary of the Treasury.

A monthly combined statement covering information with respect to the financial condition of Government corporations and enterprises is prepared and published in the daily Treasury statement on the last day of each month, and a statement of contingent liabilities of the United States is published in the daily Treasury statement on the first day of each month. These statements as of June 30, 1943, will be found as tables 84 and 53, beginning on pages 694 and 656 of this report.

A complete annual financial report from information submitted by Government corporations and enterprises under Budget-Treasury Regulation No. 2 (Executive Order No. 8512) is also compiled.

Division of Disbursement

The Division of Disbursement exercises the disbursing functions, in Washington and in the field, for all departments and establishments of the Government with the exception of the Post Office Department, United States Marshals, the Panama Canal, special disbursing agents of the War and Navy Departments, and certain Government corporations.

During the fiscal year 1943, disbursing functions were assumed at 24 points in foreign countries and 1 point in Alaska on account of war activities. On June 30, 1943, the Division maintained the Central Office in Washington, D. C., 20 regional offices in the United States,

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and 5 regional offices in Alaska, Puerto Rico, Hawaii, the Virgin Islands, and Panama.

During the year the Division made 63,312,643 payments by check and made cash payments in 678,980 instances. These payments were supported in the disbursing accounts by 8,031,765 vouchers. The Division also received, deposited, and accounted for 10,935,722 collection items. Included in the foregoing are 12,693,842 items of payments and collections for agencies which have been established in connection with the war effort.

Voluntary payroll allotment plan.—In connection with the voluntary payroll allotment plan for the purchase of war savings bonds, the Chief Disbursing Officer was designated by the Secretary of the Treasury as the Bond Issuing Officer for departments and agencies served by the Division of Disbursement.

During the year there was collected by the Division of Disbursement, through withholdings from salaries of Federal employees, the sum of $79,084,582.68 on account of bond allotments, and 2,734,029 war savings bonds were issued by the Division, for which $69,823,009.25 was covered into the Treasury as public debt receipts. The difference will be applied to the purchase of bonds to be issued when withheld amounts to the credit of the individual employee equal the purchase price of a bond of the denomination specified by the employee.

Victory tax withheld.—In accordance with Public Law 753, approved October 21, 1942, there was withheld by the Division of Disbursement from salaries of Federal employees on account of the Victory tax the sum of $26,544,795.68. These funds were currently deposited into a special deposit account in the Treasury to the credit of the Chief Disbursing Officer, and were paid over to collectors of internal revenue quarterly, as provided by regulations, on the basis of vouchers submitted by the administrative agencies concerned.

Bonding of certifying officers.—Under the provisions of Public Law 389, approved December 29, 1941, providing for the bonding of officers and employees authorized to certify vouchers for payment by disbursing officers in the executive branch of the Government, there were approximately 10,000 such bonded certifying officers at the close of the fiscal year 1943.

Tabulating card checks.—The Division of Disbursement is cooperating in the Treasury's program for the decentralization of the payment of checks drawn on the Treasurer of the United States and the substitution of tabulating card checks for paper in that operation. In May 1943 the Division of Disbursement made, in the regional disbursing office at Chicago, Ill., the first conversion from paper checks to tabulating card checks for its regular disbursements. It is planned to complete conversion to tabulating card checks by the end of the fiscal year 1944 in all regional disbursing offices of the Division. This will result in removing the payment of approximately 38,000,000 checks a year from Washington.

Agent cashiers.—There are 1,466 employees of other Government agencies who are bonded and designated as agent cashiers to the Chief Disbursing Officer of the Treasury Department. The majority of these

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agent cashiers are located in the United States and make emergency payments which it has been found impracticable to make through the regional disbursing offices of the Division of Disbursement because of the need for immediate cash payments. The other agent cashiers are appointed for duty in various parts of the world in connection with the war effort.

Staggered pay days and cash payments to employees.—On October 15, 1942, the President addressed a letter to the Secretary of the Treasury requesting him to inaugurate a system of staggered pay days for Government employees in the District of Columbia in order to avoid congestion at check-cashing facilities, to alleviate shopping and banking inconveniences for Government employees and the public generally and to spread the administrative work load incident to the payment of Federal salaries. Under this plan, the semimonthly pay days were increased from 4 to 20, and were so distributed among the several departments and establishments in metropolitan Washington as to approximately equalize the number of checks drawn each day. The Secretary of the Treasury was also requested to take such steps as may be necessary to pay salaries of employees in the lower grades in cash instead of by check. (See exhibit 87, page 447.) Arrangements have been made with a large number of agencies to extend cash payments to employees in the lower grades, and efforts are being made to extend the practice to many other agencies.

Continuation of accounts of Chief Disbursing Officer.—Public Law 841, approved December 24, 1942, provides for the orderly transaction of the public business in the event of the death or of the resignation or separation from office of the Chief Disbursing Officer. The law gives the Secretary of the Treasury authority to designate an Assistant Chief Disbursing Officer to continue the accounts and make payments in the name of the Chief Disbursing Officer for a period of time not to extend beyond the last day of the second month following the month in which the death, resignation, or separation of the Chief Disbursing Officer may occur. (See exhibit 88, page 447.)

Division of Deposits

The Division of Deposits is charged with the administration of matters pertaining to the designation and supervision of Government depositaries and the deposit of Government funds in such depositaries, as prescribed by the regulations incorporated in Department Circulars Nos. 92 and 176, as amended; the qualification of Federal savings and loan associations as fiscal agents of the United States under Circular No. 568; the maintenance of a record of cash collateral pledged in lieu of securities by issuing agents designated under Circular No. 657 for the sale and issuance of war savings bonds, Series E; and the execution of the duties devolving upon the Secretary of the Treasury as a result of the enactment of the Government Losses in Shipment Act, as amended.

Depositary functions.—The following statement shows the number and classes of depositaries maintained by the Treasury and the Government deposits held by such depositaries as of June 30, 1943.

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Number of depositaries and amount of Government deposits held on June 30, 1943 by classes of depositaries

Depositaries	Number	Amount
Federal Reserve Banks (including branches)	12	$1,038,055,659.99
Insured bank depositaries, deposits—		
To credit of Treasurer of United States	1,621	147,333,587.61
To credit of other Government officers		104,126,841.25
Insular and territorial depositaries (including Philippine Treasury), deposits—		
To credit of Treasurer of United States	29	81,263,317.58
To credit of other Government officers		63,355,533.18
Foreign depositaries, deposits—		
To credit of Treasurer of United States	46	51,209,181.37
To credit of other Government officers		29,445,926.79
Special depositaries [1]	9,260	7,667,272,000.00
Total	10,968	9,182,062,047.77

[1] Includes 4,002 national banks and 5,258 State banks and trust companies.

During the year there were 13,255 changes and adjustments effected in the depositary system of the Treasury. These changes and adjustments are summarized in the following table.

Adjustments	Insured bank depositaries	Special depositaries
Designated	356	6,319
Discontinued	97	37
Amount for which qualified:		
Increased	835	5,126
Decreased	90	13
Miscellaneous changes	194	188
Total	1,572	11,683

At no time during the existence of the Division of Deposits has the number of changes and adjustments in the depositary system approached those which occurred during the fiscal year 1943. Most of these changes are the result of the Treasury's part in the war effort.

Public Law 37, approved April 13, 1943, suspended until six months after the cessation of hostilities of the present war the provisions of law (1) requiring the payment of deposit insurance assessments on deposits arising as a result of subscriptions for Government securities issued under the act of Sept. 24, 1917, as amended, and (2) subjecting these deposits to the reserve requirements of the Federal Reserve System.

The regulations of the Treasury governing special deposits of public moneys were revised on April 14, 1943, in accordance with the changes in the law. Copies of the law and of revised Department Circular No. 92 appear as exhibits 64 and 65, on pages 367 and 368.

Designation of banks as depositaries for withheld taxes in accordance with the provisions of the Current Tax Payment Act of 1943.—On June 25, 1943, the Treasury issued Department Circular No. 714, prescribing regulations governing the payment through depositary banks of funds withheld as taxes in accordance with provisions of the Current Tax Payment Act of 1943. Under the terms of this circular, copy of which appears as exhibit 66, on page 371, the Secretary of the Treasury designated all incorporated insured banks, within the meaning of section 10 of the act of June 11, 1942, as depositaries and financial agents of the Government for receiving from employers or other persons funds

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withheld as taxes. Provision was made in the circular for the designation of incorporated banks or trust companies located in territories and insular possessions of the United States which are not insured banks within the meaning of section 10 of the act approved June 11, 1942, but which are otherwise eligible for designation as depositaries and financial agents of the Government. The circular was amended, effective July 22, 1943, and all incorporated uninsured banks and trust companies designated as special depositaries of public moneys under the act approved September 24, 1917, as amended (Second Liberty Bond Act, as amended), have been designated, subject to the provisions of Department Circular No. 714, as depositaries and financial agents of the Government for receiving funds withheld as taxes. (See exhibit 67, page 378.)

Designated depositaries are required to comply with the terms of Department Circular No. 714 before acting as a depositary for withheld taxes. The circular provides that details governing qualification of depositaries, the functions of depositaries under such qualification, and the allotment of Treasury balances and 2 percent depositary bonds to depositaries be handled by the various Federal Reserve Banks as fiscal agents of the United States. The arrangement was designed primarily for the purpose of making the funds available to the Treasury on a current basis before employers' quarterly tax returns are submitted to collectors of internal revenue.

The necessary forms and instructions relative to the qualification of depositaries were not distributed until after June 30, 1943. As of August 31, 1943, the Treasury had received from Federal Reserve Banks notification of the qualification of 8,014 depositaries, and remittances of withheld taxes by qualified depositaries totaling approximately $563,000,000 had been credited in the Treasurer's account by Federal Reserve Banks.

Depositary bonds.—Department Circular No. 660, dated May 23, 1941, as amended, prescribes the regulations of the Treasury governing the issuance of 2 percent depositary bonds. These bonds are allotted to banks designated as depositaries and financial agents of the Government and provide an income which offsets the costs incurred by depositaries in handling the Government's business.

On June 30, 1943, 2 percent depositary bonds in the face amount of $226,235,250 had been issued and $70,000 had been redeemed. The amount outstanding on this date was $226,165,250.

Designation of agencies for the issuance of war savings bonds, Series E.—The Division maintains a record of cash collateral pledged, in lieu of securities, by designated agents for the sale and issuance of war savings bonds of Series E, as specified in Department Circular No. 657, as amended. The third amendment, dated July 17, 1942, to this circular, provides that any issuing agent designated under its terms may be qualified as such without being required to pledge collateral security, subject to certain restrictions in specific instances. As a result of this provision, the number of issuing agents which now have on deposit cash collateral as security for consignments of war savings bond stock has decreased. (See exhibit 31, page 331.)

As of June 30, 1943, there were 291 issuing agents qualified by the pledging of cash collateral aggregating $1,158,430.25.

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Federal savings and loan associations.—On June 30, 1943, the Federal Home Loan Bank System reported to the Treasury that 1,468 Federal savings and loan associations were eligible to qualify as fiscal agents under Department Circular No. 568, dated September 15, 1936, for the purpose of collecting delinquent accounts arising out of insurance and loan transactions of the Federal Housing Commissioner. Of this number 91 had qualified for this purpose either by the pledge of collateral security or the filing of an acceptable surety bond.

Social security.—Under arrangements entered into between the Treasury and the Social Security Board, various depositaries of public moneys, designated by the Secretary of the Treasury, were authorized to carry balances of Treasury funds as a basis for servicing State unemployment compensation benefit payment accounts and clearing accounts.

As of June 30, 1943, 65 banks were designated for this purpose with authority to maintain Treasury balances totaling $35,440,000.

Government losses in shipment.—The Government Losses in Shipment Act, approved July 8, 1937 (50 Stat. 479), as amended by an act approved August 10, 1939 (53 Stat. 1358), was designed to provide within the Government an adequate means of prompt replacement of losses resulting from the shipment by the executive departments, independent establishments, agencies, wholly owned corporations, officers and employees of the United States, of certain articles, things, or representatives of value, thus eliminating the necessity of purchasing insurance from private companies for such replacements. The articles, things, or representatives of value declared to be "valuables" by the Secretary of the Treasury, within the meaning of that term in section 7a of the act, include money of the United States and foreign countries, securities and other instruments or documents, precious metals and stones, and works or collections of artistic, historical, scientific, or educational value. The shipment of "valuables" is governed by regulations designed to minimize the risks of loss, destruction, or damage, and to facilitate replacement under the provisions of the act, in the event such procedure becomes necessary.

Under the provisions of section 3, paragraph (i) of the Public Debt Act of 1943 (Public Law 34), the fund for payment of Government losses in shipment was made available for replacement of any losses resulting from payments made in connection with the redemption of savings bonds, under regulations to be prescribed by the Secretary of the Treasury. (See exhibit 38, page 338). No payments were made out of the fund for this purpose during the year.

The monetary value of shipments, reported to have been made during 1943 under the Government Losses in Shipment Act, of classes of valuables which were covered by the Treasury's contracts with insurance companies prior to the enactment of the act, amounted to $150,865,426,318. This represents an increase of approximately $109,487,000,000 over shipments made during 1942. The table following indicates the estimated premium savings in connection with shipments for 1943 to be over $3,165,000, and savings since the inception of the act to be over $5,946,000, under each of the three alternate bases upon which the estimates are made.

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Estimated premium savings during the fiscal years 1942 and 1943 and the total estimated savings to June 30, 1943

On the basis of premium rates for—	Fiscal year 1942	Fiscal year 1943	Aug. 15, 1937, through June 30, 1943
Fiscal year 1938 [1]	$863,000	$3,165,000	$5,946,000
Fiscal year 1937 [2]	1,239,000	3,947,000	7,621,000
Fiscal years 1936–38 [3]	1,188,000	3,800,000	7,318,000

[1] Lowest rates under insurance contract system.
[2] Rates in effect at time estimates of premium savings were presented to Congress.
[3] Average based on rates effective in last three years of Government insurance contract system.

Other classes of valuables covered under the provisions of the Government Losses in Shipment Act were shipped during the year having an aggregate value of $125,454,452,124; however, these have not been included in the calculation of estimated premium savings in the above table because, as a general practice, the Government did not insure them prior to the effective date of the act.

Following is a table of the loss experience resulting from shipments of valuables under the act during the fiscal year 1943:

Number and value of items reported lost, settled, and unadjusted, fiscal year 1943

Items reported lost:	Number	Value
Unadjusted July 1, 1942	33	$12,647.10
Reported lost during year	123	646,720.95
Total to be settled	156	659,368.05
Settled by replacement out of fund	75	8,877.44
Settled without replacement or credit	17	1,253.46
Total settled	92	10,130.90
Unadjusted June 30, 1943	64	649,237.15

Section 3a of the act provides for payment of losses arising from agency functions performed by the Post Office Department for the Treasury, irrespective of the manner in which losses occurred. Such losses may result from fire, theft, robbery of a post office, embezzlement, or similar contingencies. The increase in the number of losses reported, from 45 in 1942 to 123 in 1943, may be attributed chiefly to the loss or destruction of motor vehicle tax stamps and funds and war saving stamps and funds, while in the custody of the Post Office Department acting in the capacity of agent for the Treasury in the sale of such stamps.

Pursuant to section 3b of the act, as amended, there were executed during 1943 eight agreements of indemnity, in the aggregate amount of $3,336.68, in connection with which no payments have been required. The total number of agreements executed to June 30, 1943, was 19, amounting to $80,059.67.

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Fund for the payment of Government losses in shipment (revolving fund), June 30, 1943

I. RECEIPTS AND EXPENDITURES

	Cumulative to June 30, 1942	Increase or decrease (−), fiscal year 1943	Cumulative to June 30, 1943
Receipts:			
Appropriations	$602,000.00		$602,000.00
Transferred from the securities trust fund (Sept. 21, 1939) [1]	91,803.13		91,803.13
Recoveries of payments for losses	262.50		262.50
Total receipts	694,065.63		694,065.63
Expenditures:			
Payment of losses	[2] 4,011.71	$8,877.44	[3] 12,889.15
Balance in fund	690,053.92	−8,877.44	681,176.48

II. FUND ASSETS

	June 30, 1942	Increase or decrease (−)	June 30, 1943
Unexpended balances:			
To credit of disbursing officer	$3,428.83	−$877.44	$2,551.39
On books of the Division of Bookkeeping and Warrants	686,625.09	−8,000.00	678,625.09
Total fund assets	690,053.92	−8,877.44	681,176.48

[1] The act of Aug. 10, 1939 (53 Stat. 1358), amended the Government Losses in Shipment Act, and in section 1 the Secretary of the Treasury was authorized and directed to transfer the amount standing to the credit of the securities trust fund to this fund.

[2] Includes payment in the amount of $64.44 representing an excess recovery previously paid into the fund from the securities trust fund.

Section of Surety Bonds

The Secretary of the Treasury, under the act of Congress approved August 13, 1894 (28 Stat. 279), as amended by the act approved March 23, 1910 (36 Stat. 241), issues certificates of authority to corporate surety companies to qualify as acceptable sureties on bonds and other obligations in favor of the United States.

On June 30, 1943, there were 80 domestic companies holding certificates of authority, qualifying them as sole sureties on recognizances, stipulations, bonds, and undertakings permitted or required by the laws of the United States, to be given with one or more sureties. During the fiscal year 1943 one certificate of authority of a domestic company, which had voluntarily ceased to write business, was revoked; two certificates of authority were issued to domestic companies qualifying them as sole sureties on bonds in favor of the United States. There were also 7 branches of foreign companies holding certificates of authority authorizing them to act only as reinsurers on bonds in favor of the United States.

The Section of Surety Bonds checks the financial condition of surety companies authorized to transact business with the United States; determines their underwriting limitations; reviews their quarterly financial statements; makes examinations into their financial condition at their home offices, when necessary; and performs other duties to determine whether the companies observe the requirements of the law and the regulations of the Secretary of the Treasury issued pursuant thereto.

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The Section of Surety Bonds has custody of all fidelity bonds in favor of the United States, except those filed with the Post Office Department and the Federal courts, and notifies the accounting officers of the receipt and filing of such bonds. It examines and approves as to corporate surety all fidelity and surety bonds with a few exceptions as referred to above.

During the year 102,542 bonds and consent agreements cleared through the Section for approval as to corporate surety. This number includes official bonds and consent agreements totaling 39,554, which is an increase in these classes of more than 70 percent over the preceding year. This total increase was largely due to the continued expansion of the Army and the Navy.

Treasury Budgetary Section

This Section, which is in the Bureau of Accounts, constitutes in part the operating staff of the Budget Officer of the Department, coordinating departmental estimates of appropriations, justifications, and reports and performing related duties in accordance with the requirements of the Budget Officer, Treasury Department. The Section also performs similar duties for the Commissioner of Accounts and has administration of special deposit accounts of the Secretary of the Treasury, which cover alien property trust funds in the Treasury, offers in compromise under the provisions of section 3469 of the Revised Statutes, Philippine trust funds held in interest-bearing accounts, cash collateral furnished by issuing agents for the sale of war savings bonds, Series E, and accounts pertaining to withheld foreign check payments.

Alien property trust fund.—Under the act of October 6, 1917, as amended, and the Settlement of War Claims Act of 1928, approved March 10, 1928 (45 Stat. 254), as amended, securities previously held by the Secretary of the Treasury for account of the Attorney General, Alien Property Bureau, were all sold prior to the fiscal year 1943. A statement of the alien property trust fund as of June 30, 1943, follows:

Alien property trust fund, June 30, 1943

Credits (net):		
Trusts		$38,704,833.39
Earnings on investments, etc		26,173,290.06
Total		64,878,123.45
Assets:		
Investments:		
Participating certificates issued under sec. 25 (e) of the Trading with the Enemy Act:		
Noninterest-bearing	$20,861,206.97	
5% interest-bearing	34,347,476.76	
		55,208,683.73
Cash balance with the Treasurer of the United States		9,669,439.72
Total fund assets June 30, 1943		64,878,123.45

Checks issued by the Treasury Department during the year to the Attorney General, Alien Property Bureau, and to the Alien Property Custodian on account of the alien property trust fund included certain expenditures for administrative expenses of the Alien Property Custodian appointed pursuant to the act of October 6, 1917, as

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amended by the First War Powers Act, approved December 18, 1941. The amounts of expenditures were as follows:

Distribution of income	$240,000.00
Administrative expenses	3,800,000.00
Total	4,040,000.00

Philippine funds in the United States Treasury.—Under the act of March 8, 1902 (32 Stat. 54), reenacted in section 3343 (b) of the Internal Revenue Code, approved February 10, 1939, it was provided that all duties and taxes collected in the United States upon articles coming from the Philippine Archipelago and upon foreign vessels coming therefrom were to be held as a separate fund and paid into the treasury of the Philippine Islands to be expended for the government and benefit of the Islands.

A summary follows showing customs duties, tonnage taxes, and internal revenue taxes, exclusive of taxes with respect to coconut oil, appropriated to Philippine accounts and payments therefrom during the fiscal years 1934 to 1943.

Fiscal year	Receipts [1] appropriated	Payments to Philippine Government [2]	Unpaid balance
1934	$527,426.40	$813,371.78	$568,653.59
1935	491,458.50	502,551.53	557,560.56
1936	645,890.13	745,957.75	457,492.94
1937	755,865.76	891,725.93	321,632.77
1938	813,852.30	934,689.47	200,795.60
1939	569,468.06	626,347.68	143,915.98
1940	703,874.28	482,106.02	365,684.24
1941	538,089.63	2,987.84	900,786.03
1942	420,293.47	78.32	1,321,001.18
1943	35,192.34	426.77	1,352,975.72

[1] Reduced by amounts carried to surplus fund as follows: 1936, $17,540.28; 1937, $9,783.75; 1939, $15,151.70; 1940, $957.78; 1941, $36,822.72; 1942, $747.58; and 1943, $2,971.03.
[2] Includes certain refunds and adjustments.

Under the act of June 11, 1934 (48 Stat. 929; 48 U.S.C. 1157), the Secretary of the Treasury was authorized to accept, upon such conditions as he might prescribe, deposits of public moneys of the Philippine Government. The act provided an indefinite appropriation for the payment of interest on such deposits other than demand deposits at such rates not in excess of 2 percent per annum as the Secretary might prescribe.

Thereafter, the Secretary of the Treasury agreed to accept not to exceed $55,000,000 of Philippine moneys in a time deposit account, amounts deposited with the Treasury by the Philippine Government in excess of that sum to be maintained in a demand deposit account. Since December 10, 1934, the balance in the time deposit account has been maintained at $55,000,000. The balance in the demand deposit account as of June 30, 1943, was $89,868,089.38.

Section 602½ of the act of May 10, 1934 (48 Stat. 763), provided that taxes collected with respect to coconut oil wholly of Philippine production or produced from materials wholly of Philippine growth or production should be paid to the treasury of the Philippine Islands subject to certain conditions. An agreement was consummated between the Secretary of the Treasury and the Philippine Government

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under which coconut oil moneys payable to the Philippine treasury would be transferred on periodic settlements of the General Accounting Office to a special deposit account in the name of the Secretary of the Treasury subject to withdrawal by the Philippine Government on ninety days' notice in writing. Interest at the rate of 2 percent per annum is paid on the daily balances in this account. A summary of transactions in the account from the time of its establishment to date follows.

Fiscal year	Deposits	Withdrawals	Balance at end of year
1938	$56,854,779.06		$56,854,779.06
1939	20,355,455.65	$32,000,000.00	45,210,234.71
1940	4,559,016.46	[1] 17,564,016.41	32,205,234.76
1941	72,850.96		32,278,085.72
1942		5,000,000.00	27,278,085.72
1943			27,278,085.72

[1] Includes $7,564,016.41 transferred to account established under act of August 7, 1939.

Section 6 of the act of August 7, 1939 (53 Stat. 1232), provided that collections on or after January 1, 1939, on account of the excise taxes imposed by section 2470 of the Internal Revenue Code, and the import taxes imposed by sections 2490 and 2491 of the Internal Revenue Code and any moneys hereafter appropriated in accordance with the authorization contained in section 503 of the Sugar Act of 1937 (50 Stat. 915) shall be held as separate funds and paid into the treasury of the Philippines to be used for the purpose of meeting new or additional expenditures which will be necessary in adjusting Philippine economy to a position independent of trade preferences in the United States and in preparing the Philippines for the assumption of the responsibilities of an independent state.

An account was established in the fiscal year 1940 for the deposit of the funds referred to in section 6 of the act of August 7, 1939. Withdrawals by the Philippine Government from this account are subject to ninety days' notice in writing. Interest at the rate of 1 percent is paid on the daily balances in this account.

A summary of transactions in the account from the time of its establishment to date follows:

Fiscal year	Deposits	Withdrawals	Balance at end of year
1940	$17,274,092.01		$17,274,092.01
1941	15,258,938.13	$20,000,000.00	12,533,030.14
1942	25,566,399.12	9,000,000.00	29,099,429.26
1943	3,517,267.87		32,616,697.13

Appropriation of funds to the Government of the Commonwealth of the Philippines for national defense.—Public Law 371, approved December 23, 1941, appropriated, in accordance with the provisions of section 503 of the Sugar Act of 1937 (50 Stat. 915) such moneys as had been collected prior to the passage of the act of December 23, 1941, for the purpose of enabling the Secretary of War to meet expenses for each and every purpose necessary to provide for public relief and civilian defense in the Philippine Islands.

On June 30, 1943, there had been established upon the books of the Treasury Department approximately $39,000,000 which was

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available for appropriation to the Government of the Commonwealth of the Philippines.

In accordance with provisions of Public Law 371, $35,000,000 was appropriated for this purpose.

Supplementary sinking fund for the payment of bonds of the Philippines.—Under section 6 of the act of March 24, 1934, entitled "An Act to provide for the complete independence of the Philippine Islands, to provide for the adoption of a constitution and a form of government for the Philippine Islands, and for other purposes," as amended by the act of August 7, 1939, it was provided that on and after January 1, 1941, the Philippine Government shall impose and collect an export tax on every Philippine article shipped from the Philippines to the United States, except as otherwise specifically provided. It was further provided that the Philippine Government shall pay to the Secretary of the Treasury of the United States, at the end of each calendar quarter, all of the moneys received during such quarter from export taxes (less refunds), imposed and collected in accordance with the provisions of this section, and said moneys shall be deposited in an account with the Treasurer of the United States and shall constitute a supplementary sinking fund for the payment of bonds of the Philippines, its provinces, cities, and municipalities, issued prior to May 1, 1934, under authority of acts of Congress.

Accordingly, there was established with the Treasurer of the United States a special deposit account in the name of the Secretary of the Treasury entitled "The Secretary of the Treasury for Account of the Philippine Government—Supplementary Sinking Fund for the Payment of Bonds of the Philippines, its Provinces, Cities, and Municipalities, Issued Prior to May 1, 1934, under Authority of Acts of Congress (Symbol 891–855)."

The following statement shows the cumulative transactions since the inception of the fund and its status as of June 30, 1943.

Supplementary sinking fund for the payment of bonds, issued prior to May 1, 1934, of the Philippines, its provinces, cities, and municipalities, June 30, 1943.

I. RECEIPTS AND EXPENDITURES

Receipts:	
Taxes on exports	$1,586,135.92
Interest on investments	53,018.68
Total receipts	1,639,154.60
Expenditures	
Balance in fund	1,639,154.60

II. FUND ASSETS

	Face amount	*Principal cost*	
Investments:			
Philippine Government bonds:			
4% due Dec. 1, 1946	$207,000	$205,242.50	
4½% due Dec. 1, 1950	33,000	36,416.88	
5% due Feb. 1, 1952	32,000	35,993.45	
4½% due July 1, 1952	258,000	271,776.81	
4½% due July 15, 1952	373,000	403,276.10	
5% due Apr. 1, 1955	21,000	19,877.50	
4½% due May 1, 1957	5,000	5,835.04	
4½% due July 1, 1957	64,000	74,447.49	
4½% due Mar. 1, 1958	43,000	50,606.43	
4½% due Apr. 1, 1958	36,000	42,360.40	
4½% due Apr. 1, 1959	70,000	77,069.74	
4½% due Sept. 15, 1959	41,000	48,812.56	
4½% due Oct. 1, 1959	19,000	22,604.53	
4½% due Oct. 15, 1959	6,000	6,912.36	
	1,208,000		$1,301,231.79
Cash balance with Treasurer of the United States			337,922.81
Total			1,639,154.60

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Foreign check control.—In accordance with the provisions of the Executive Order No. 8389 of April 10, 1940, as amended, and Public No. 828, approved October 9, 1940 (see annual report for 1941, p. 106), disbursing officers had withheld as of June 30, 1943, from delivery to payees residing in occupied territories 411,453 checks aggregating $17,363,762.74, of which the proceeds of 318,248 checks aggregating $12,779,899.33 were deposited in the special deposit account entitled, "Secretary of the Treasury, Proceeds Withheld Foreign Checks"; 10,135 checks aggregating $609,533.25 were released to payees; and 2,104 checks aggregating $84,062.68 were canceled on advice of administrative agencies which authorized the issue of such checks to the payees. On June 30, 1943, a balance of 80,966 checks aggregating $3,890,267.48, the proceeds of which were subject to deposit in the special deposit account, were held by disbursing officers pending disposition.

Of the $12,779,899.33 deposited in the special deposit account, $48,860.12 has been paid to individual claimants; $6,221.31 has been returned to the appropriations from which payments were made; and $1,950,853.47 has been covered into the Treasury as miscellaneous receipts on account of the $1,000 limitation on veterans' payments. On June 30, 1943, the proceeds of 281,823 checks aggregating $10,773,964.43 remained in the special deposit account to the credit of approximately 19,068 individuals.

Section of Investments

The Section of Investments supervises the collections of principal and interest on foreign obligations and on railroad obligations owned by the United States and held by the Treasury; collects on other obligations owned by the United States, which have been turned over to the Treasury by other departments for collection; handles matters relating to the investments and securities held in the custody of the Treasurer of the United States and the Federal Reserve Banks for which the Secretary is responsible, other than those related to public debt operations; and makes payments on awards under the Settlement of War Claims Act of 1928, under the claims agreement of October 25, 1934, between the United States and Turkey, and under the acts of April 10, 1935, and December 18, 1942, covering claims against the Republic of Mexico. (See exhibits 90 and 91, beginning on page 449.) In connection with these activities, accounts are kept and various related matters are handled by the Section.

Obligations of foreign governments

The United States received during the year a payment from the Government of Finland in the amount of $168,945.56 on account of its indebtedness, $6,844.86 of which applied on principal due and $162,100.70 on interest due.

The following statement shows the payments due during the periods July 1 to December 31, 1942, and January 1 to June 30, 1943.

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Amounts due and payable, July 1 to December 31, 1942, and January 1 to June 30, 1943

Country	Funding agreements		Moratorium agreements	Total
	Principal	Interest		
	July 1 to Dec. 31, 1942			
Belgium		$4,158,000.00	$484,453.88	$4,642,453.88
Czechoslovakia	$1,500,000.00		182,812.78	1,682,812.78
Estonia	156,000.00	286,265.00	36,585.29	478,850.29
Finland	82,000.00	137,655.00	32,725.56	[1] 252,380.56
France		38,522,865.00	3,046,879.72	41,569,744.72
Great Britain	42,000,000.00	75,950,000.00	9,720,765.05	127,670,765.05
Greece	512,000.00	217,920.00	67,137.38	797,057.38
Hungary	16,365.00	33,185.08	4,225.58	53,775.66
Italy		2,490,875.00	896,155.88	3,387,030.88
Latvia	63,900.00	119,609.00	15,274.26	198,783.26
Lithuania		107,783.67	13,683.26	121,466.93
Poland	1,781,000.00	3,582,810.00	456,229.71	5,820,039.71
Rumania		907,559.81	48,750.08	956,309.89
Yugoslavia		154,062.50		154,062.50
Total	46,111,265.00	126,668,590.06	15,005,678.43	187,785,533.49
	Jan. 1 to June 30, 1943			
Belgium	$5,000,000.00	$4,158,000.00	$484,453.88	$9,642,453.88
Czechoslovakia	1,500,000.00		182,812.78	1,682,812.78
Estonia		286,265.00	36,585.29	322,850.29
France	58,918,719.03	38,522,865.00	3,046,879.72	100,488,463.75
Germany (Austrian indebtedness) [2]	460,093.00		34,767.23	494,860.23
Great Britain		75,950,000.00	9,720,765.05	85,670,765.05
Greece	519,000.00	217,920.00	67,137.38	804,057.38
Hungary		33,185.08	4,225.58	37,410.66
Italy	17,600,000.00	2,490,875.00	896,155.88	20,987,030.88
Latvia		119,609.00	15,274.26	134,883.26
Lithuania	56,605.00	107,783.67	13,683.26	178,071.93
Poland		3,582,810.00	456,229.71	4,039,039.71
Rumania	478,000.00	907,559.81	48,750.08	1,434,309.89
Yugoslavia	604,000.00	154,062.50		758,062.50
Total	85,136,417.03	126,530,935.06	15,007,720.10	226,675,072.19

[1] Postponed under authority of Public Law 110, approved June 12, 1941.
[2] The German Government has been notified that the Government of the United States will look to the German Government for the discharge of this indebtedness of the Government of Austria to the Government of the United States.

A statement showing the principal of the funded and unfunded indebtedness of foreign governments to the United States, the accrued and unpaid interest thereon, and payments on account of principal and interest as of November 15, 1943, appears as table 61 on page 672.

The total amounts previously due from foreign governments on account of their indebtedness to the United States under the funding and moratorium agreements and not paid as of November 15, 1943, according to contract terms, are shown in the following statement.

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Total amounts due and not paid as of November 15, 1943

Country	Funding agreements		Moratorium agreements annuities	Total
	Principal	Interest		
Belgium	$50,800,000.00	$80,778,000.00	$9,689,077.60	$141,267,077.60
Czechoslovakia	31,170,085.83		3,656,255.60	34,826,341.43
Estonia	1,453,000.00	6,256,935.00	731,705.80	8,441,640.80
France	607,141,170.42	539,320,110.00	60,937,594.40	1,207,398,874.82
Germany (Austrian indebtedness) [1]	3,680,744.00		278,137.84	3,958,881.84
Great Britain	365,000,000.00	1,577,449,481.58	194,415,301.00	2,136,864,782.58
Greece	10,228,000.00	4,021,027.50	1,342,747.60	15,591,775.10
Hungary [2]	155,615.00	627,396.13	84,511.60	867,522.73
Italy	162,200,000.00	31,626,791.74	17,923,117.60	211,749,909.34
Latvia	590,100.00	2,496,258.84	305,485.20	3,391,844.04
Lithuania	527,705.00	2,200,273.72	273,665.20	3,001,643.92
Poland	17,133,000.00	78,309,990.00	9,124,594.20	104,567,584.20
Rumania [3]	13,015,560.43	7,260,478.48	975,001.60	21,251,040.51
Yugoslavia	4,903,000.00	1,155,468.78		6,058,468.78
Total	1,267,997,980.68	2,331,5 2,211.77	299,737,195.24	3,899,237,387.69

[1] The German Government has been notified that the Government of the United States will look to the German Government for the discharge of this indebtedness of the Government of Austria to the Government of the United States.

[2] The Hungarian Government has deposited with the foreign creditors' account at the Hungarian National Bank an amount of Hungarian currency equivalent to the interest payments due from Dec. 15, 1932, to June 15, 1937. The debt funding and moratorium agreements with Hungary provide for payment in dollars in the United States.

[3] Excludes the amount of $100,000 which the Rumanian Government paid to the United States Treasury on June 15, 1940, as "a token of its good faith and of its real desire to reach a new agreement" covering Rumanian indebtedness to the United States.

Receipts from Germany

The status of the indebtedness of Germany to the United States as of June 30, 1943, under the debt funding agreement of June 23, 1930, covering the costs of the American Army of Occupation and the awards of the Mixed Claims Commission, United States and Germany, is summarized in the following tables.

Amount of indebtedness of Germany to the United States, June 30, 1943

Class	Indebtedness as funded	Total indebtedness, June 30, 1943	Principal	Interest accrued and unpaid
Army costs (reichsmarks)	1,048,100,000	1,042,958,676.50	997,500,000	[1] 45,458,676.50
Mixed claims (reichsmarks)	2,121,600,000	2,175,150,000.00	2,040,000,000	135,150,000.00
Total (reichsmarks)	3,169,700,000	[2] 3,218,108,676.50	3,037,500,000	180,608,676.50
Total (in dollars, at 40.33 cents to the reichsmark)	$1,278,340,010	$1,297,863,229.23	$1,225,023,750	$72,839,479.23

[1] Includes interest accrued under unpaid moratorium agreement annuities.

[2] Includes 4,027,611.95 reichsmarks deposited by the German Government in the Konversionskasse für Deutsche Auslandsschulden and not paid to the United States in dollars as required by the debt and moratorium agreements.

Payments received from Germany to June 30, 1943

Class	Total payments received to June 30, 1943	Payments of principal	Payments of interest
Army costs (reichsmarks)	51,456,406.25	50,600,000.00	856,406.25
Mixed claims (reichsmarks)	87,210,000.00	81,600,000.00	5,610,000.00
Total (reichsmarks)	138,666,406.25	132,200,000.00	6,466,406.25
Total (in dollars)	$33,587,809.69	$31,539,595.84	$2,048,213.85

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Amounts not paid by Germany according to contract terms, June 30, 1943

Date due	Funding agreement		Moratorium agreement	Total
	Principal	Interest		
Sept. 30, 1933 ..... reichsmarks		2,498,562.50	1,529,049.45	[1] 4,027,611.95
Mar. 31, 1934 ..... do	122,400,000		1,529,049.45	123,929,049.45
Sept. 30, 1934 ..... do	20,400,000	3,855,687.50	1,529,049.45	25,784,736.95
Mar. 31, 1935 ..... do	82,900,000	4,534,250.00	1,529,049.45	88,963,299.45
Sept. 30, 1935 ..... do	29,700,000	5,212,812.50	1,529,049.45	36,441,861.95
Mar. 31, 1936 ..... do	29,700,000	5,891,375.00	1,529,049.45	37,120,424.45
Sept. 30, 1936 ..... do	29,700,000	6,569,937.50	1,529,049.45	37,798,986.95
Mar. 31, 1937 ..... do	29,700,000	7,248,500.00	1,529,049.45	38,477,549.45
Sept. 30, 1937 ..... do	28,600,000	7,927,062.50	1,529,049.45	38,056,111.95
Mar. 31, 1938 ..... do	28,600,000	8,585,687.50	1,529,049.45	38,714,736.95
Sept. 30, 1938 ..... do	28,600,000	9,244,312.50	1,529,049.45	39,373,361.95
Mar. 31, 1939 ..... do	28,600,000	9,902,937.50	1,529,049.45	40,031,986.95
Sept. 30, 1939 ..... do	29,700,000	10,561,562.50	1,529,049.45	41,790,611.95
Mar. 31, 1940 ..... do	29,700,000	11,240,125.00	1,529,049.45	42,469,174.45
Sept. 30, 1940 ..... do	29,700,000	11,918,687.50	1,529,049.45	43,147,736.95
Mar. 31, 1941 ..... do	29,700,000	12,597,250.00	1,529,049.45	43,826,299.45
Sept. 30, 1941 ..... do	33,050,000	13,275,812.50	1,529,049.45	47,854,861.95
Mar. 31, 1942 ..... do	33,050,000	14,015,093.75	1,529,049.45	48,594,143.20
Sept. 30, 1942 ..... do	33,050,000	14,754,375.00	1,529,049.45	49,333,424.45
Mar. 31, 1943 ..... do	33,050,000	15,493,656.25	1,529,049.45	50,072,705.70
Total ..... do	709,900,000	175,327,687.50	30,580,989.00	915,808,676.50
Total (in dollars, at 40.33 cents to the reichsmark)	$286,302,670	$70,709,656.37	$12,333,312.86	$369,345,639.23

[1] Represents 4,027,611.95 reichsmarks deposited by the German Government in the Konversionskasse für Deutsche Auslandsschulden and not paid to the United States in dollars as required by the debt and moratorium agreements.

Treasury administration of alien and mixed claims

The Settlement of War Claims Act of 1928 (45 Stat. 254) authorized the Secretary of the Treasury to make payments on account of (1) awards of the Mixed Claims Commission, United States and Germany, for claims of American nationals against the Government of Germany, (2) awards of the War Claims Arbiter for claims of German, Austrian, and Hungarian nationals against the Government of the United States, and (3) awards of the Tripartite Claims Commission for claims of American nationals against the Governments of Austria and Hungary. For a more detailed discussion of these awards and payments see pages 123 to 128 of the annual report for 1941.

Mixed Claims Commission and Private Law No. 509: Claims against Germany.—During the fiscal year 1943 payments aggregating $81,139.92 on account of distributions previously authorized by the Secretary of the Treasury were made on account of claims which were certified for payment prior to October 31, 1939. One Class 2 award has not yet been paid, as satisfactory evidence as to the persons entitled to receive payment has not yet been received. This award plus interest to January 1, 1928, amounts to $3,850.68. The Class 3 claimants received payments aggregating $21,763,576.77, placing them on the same basis as the Class 3 claimants who received awards prior to October 31, 1939.

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Total payments made on the additional sabotage awards to September 30, 1943, are as follows:

Class	Awards (plus interest to Jan. 1, 1928)	Payments		
		Awards (plus interest to Jan. 1, 1928)	Interest from Jan. 1, 1928, to date of payment	Total
1	$72,501.37	$72,501.37	$47,394.01	[1] $119,895.38
2	1,058,005.23	[2] 1,054,154.55	688,239.04	1,742,393.59
3	30,598,657.59	21,763,576.77		[3] 21,763,576.77
Total	31,729,164.19	22,890,232.69	735,633.05	23,625,865.74

[1] Payments completed prior to Sept. 30, 1941.
[2] One award (plus interest to Jan. 1, 1928), amounting to $3,850.68, not yet paid.
[3] Payments completed during 1942.

After the Class 3 additional sabotage claims were satisfied by payment of the same percentage payments made on this class of awards certified for payment prior to October 31, 1939, they shared in the distributions of 5 percent and 4.4358855 percent authorized on March 19, 1941, and September 17, 1941, respectively, to be paid to all Class 3 claimants. No segregation of these payments has been made as the sabotage claimants and the claimants whose awards were certified prior to October 31, 1939, are receiving payments on an equal basis.

The payments to American and German nationals on account of the awards of the Mixed Claims Commission and the War Claims Arbiter are made out of the German special deposit account established under the provisions of section 4 of the Settlement of War Claims Act of 1928. The priorities established in the act and the status as of September 30, 1943, of such priorities up to the seventh priority are as follows:

Priority No.	On account of—	Nationals	Amount due Sept. 30, 1943
1	Administrative expenses		Held in reserve.
2	Class 1 awards	American	Completed.
3	Class 2 awards	do	$49,713.00.[1]
4	Payment $100,000 a/c Class 3 awards	do	Completed.
5	Payment of 80 percent of (2), (3), and (4), and interest to Jan. 1, 1928.	do	$16,222.48.[1]
6	Tentative awards, War Claims Arbiter	German	Completed.
7	50 percent of ship and patent claims	do	Do.

[1] Applications for payment of these amounts to claimants were not received or approved as of Mar. 11, 1940, or Sept. 30, 1943.

Up to September 30, 1943, the Treasury has made payments in the aggregate amount of $163,617,416.14 on account of awards of the Mixed Claims Commission, from which there has been deducted $818,087.56 representing one-half of 1 percent authorized by the Settlement of War Claims Act of 1928, making net payments to claimants of $162,799,328.58. Of the deductions $770,233.47 has been covered into the Treasury as miscellaneous receipts in accordance with the provisions of the act as reimbursement to the United States for expenses incurred, and $9,237.05 of the deductions has been withheld and not yet covered; and the balance of $38,617.04 is payable

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to the German Government for defraying such expenses as may be incurred by that government for the adjudication of claims.

The following summary shows the number and amount of awards certified to the Treasury by the Secretary of State, the amount paid on account, and the balance due thereon as of September 30, 1943. Further details by classes of awards may be found in table 94, page 728.

Mixed Claims Commission, United States and Germany—Number and amount of awards, amounts paid, and balance due, certified to the Secretary of the Treasury by the Secretary of State, as of September 30, 1943 [1]

Awards certified	Total number of awards	Total amount
1. Amount due on account: Principal of awards	7,026	$181,698,235.30
Less amounts paid by Alien Property Custodian and others		187,226.85
		181,511,008.45
Interest to Jan. 1, 1928, at rates specified in awards		81,465,086.36
Interest thereon to date of payment or, if unpaid Sept. 30, 1943, at 5 percent per annum as specified in the Settlement of War Claims Act of 1928		107,817,866.18
Total due claimants		370,793,960.99
2. Payment made on account to Sept. 30, 1943:		
Principal of awards	6,670	[2] 152,401,420.71
Interest to Jan. 1, 1928, at rates specified in awards		8,937,474.29
Interest at 5 percent per annum from Jan. 1, 1928, to date of payment as directed by the Settlement of War Claims Act of 1928		2,278,521.14
Total payments to Sept. 30, 1943		163,617,416.14
Less one-half of 1 percent deduction from each payment		818,087.56
Net payments made to claimants to Sept. 30, 1943		162,799,328.58
3. Balance due on account:		
Principal of awards	356	101,628,304.99
Interest to Jan. 1, 1928, at rates specified in awards		8,894.82
Accrued interest at 5 percent per annum from Jan. 1, 1928, on total amount payable as of Jan. 1, 1928, to Sept. 30, 1943		105,539,345.04
Balance due claimants as of Sept. 30, 1943		207,176,544.85

[1] Includes payments on account of Private Law No. 509, approved July 19, 1940.

[2] Includes payments on account of interest to Jan. 1, 1928, on Class 3 awards and Private Law No. 509. Payments on this class of awards are first applied on account of the total amount payable as of Jan. 1, 1928 (which is treated as a principal payment for this purpose), as directed by the Settlement of War Claims Act of 1928 until total of all payments on the three classes equals 80 percent of the amount payable Jan. 1, 1928. Payment of accrued interest since Jan. 1, 1928, on this class of claims has been deferred in accordance with the act.

War Claims Arbiter.—Under the Settlement of War Claims Act of 1928, it was the duty of the War Claims Arbiter, within certain limitations, to hear the claims of German, Austrian, and Hungarian nationals and to determine the fair compensation to be paid by the United States for ships seized, patents sold or used by the United States, and a radio station sold to the United States.

War Claims Arbiter: Claims of German nationals.—The Treasury completed up to June 30, 1935, payment of 50 percent of the amount of all awards made by the War Claims Arbiter in favor of German nationals as required by paragraph 7 of section 4 (c) of the Settlement of War Claims Act of 1928. No payments were made on these awards subsequent to that date.

The following summary shows the number and amount of awards in favor of German nationals certified to the Treasury for payment, the payments made on account, and the balance due thereon as of September 30, 1943.

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War Claims Arbiter—Number of awards, amounts paid, and balance due on account of claims of German nationals for ships, patents, and a radio station as of September 30, 1943

Awards certified	Total (315 awards)	Ships (27 awards)	Patents and radio station (288 awards)
1. Amount due on account:			
Principal of awards including interest to Jan. 1, 1929	$86,738,320.83	[1]$74,252,933.00	$12,485,387.83
Interest at 5 percent per annum from Jan. 1, 1929, on total amount payable as of Jan. 1, 1929, or on the principal amount remaining unpaid to Sept. 30, 1943	36,668,662.80	31,240,655.34	5,428,007.46
Total due claimants	123,406,983.63	105,493,588.34	17,913,395.29
2. Payments made on account to Sept. 30, 1943:			
Principal of awards	43,368,899.24	37,126,205.21	6,242,694.03
Interest at 5 percent per annum from Jan. 1, 1929, on total amount payable as of Jan. 1, 1929, or on the principal amount remaining unpaid to Sept. 30, 1943			
Total payments to Sept. 30, 1943	43,368,899.24	37,126,205.21	6,242,694.03
3. Balance due on account:			
Principal of awards	43,369,421.59	37,126,727.79	6,242,693.80
Interest accrued at 5 percent per annum from Jan. 1, 1929, on total amount payable as of Jan. 1, 1929, or on the principal amount remaining unpaid to Sept. 30, 1943	36,668,662.80	31,240,655.34	5,428,007.46
Balance due claimants	80,038,084.39	68,367,383.13	11,670,701.26

[1] Includes awards amounting to $522.58 to members of the former ruling family of Germany (sec. 3 (j), Settlement of War Claims Act of 1928, as amended).

War Claims Arbiter: Claims of Hungarian nationals.—The awards made by the Arbiter to Hungarian nationals in the sum of $39,125, with interest at the rate of 5 percent per annum from July 2, 1921, to December 31, 1928, amounting to $14,675, have been paid with the exception of one award amounting to $137.51, together with interest thereon at the rate of 5 percent per annum from December 31, 1928. No payments were made during the year on these awards.

German special deposit account.—The following statement shows the total amounts deposited in the German special deposit account, the amounts paid therefrom up to September 30, 1943, and the balance held in the account.

Funds deposited in the German special deposit account and payments made therefrom to September 30, 1943

RECEIPTS

From investments by Alien Property Custodian under Trading with the Enemy Act, as amended:		
Unallocated interest fund	$25,000,000.00	
Less refunds	4,138,793.03	
	20,861,206.97	
20 percent German property retained	34,347,476.76	
Earnings on 20 percent German property retained	5,722,003.96	
		$60,930,687.69
From Germany:		
2¼ percent of Dawes' annuities available for reparations (Paris agreement of Jan. 14, 1925)	32,183,060.87	
Under German-American debt agreement, June 23, 1930	19,469,964.00	
Interest on payments postponed under terms of debt agreement dated June 23, 1930	1,743,738.70	
		53,396,763.57
Appropriation for ships, patents, and radio station	86,738,320.83	
Expenses of administration, War Claims Arbiter, on account of German nationals	113,624.20	
		86,851,945.03

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Funds deposited in the German special deposit account and payments made therefrom to September 30, 1943—Continued

RECEIPTS—Continued

Deposits by Attorney General of the United States (Alien Property Bureau) under section 25 (d) of Trading with the Enemy Act, as amended:			
German Government	$137,268.13		
German nationals	440,059.92		
		$577,328.05	
Earnings and profits on investments by Secretary of the Treasury		5,632,094.28	
Total receipts			$207,388,818.62

PAYMENTS ON ACCOUNT

Awards of the Mixed Claims Commission:			
Under agreement of Aug. 10, 1922	$154,950,264.84		
Under agreement of Dec. 31, 1928	7,684,835.94		
Private Law No. 509	164,227.80		
		162,799,328.58	
Awards of War Claims Arbiter:			
For ships	37,126,205.21		
For patents and one radio station	6,242,694.03		
		43,368,899.24	
One-half of 1 percent deducted from Mixed Claims payments covered into Treasury ($9,029.18 withheld but not paid)		769,438.12	
One-half of 1 percent deducted from Mixed Claims payments on account of awards entered under agreement of Dec. 31, 1928 (act of June 21, 1930), and paid to Germany ($14,466.95 withheld but not paid)		24,150.09	
One-half of 1 percent deducted on account of Private Law No. 509 withheld and covered into the Treasury		795.35	
Advances to special fund, expenses of administration of the Settlement of War Claims Act of 1928 (Office of the Secretary of the Treasury)		58,175.00	
Expenses of administration, War Claims Arbiter account of German nationals		113,624.20	
Total payments			207,134,410.58
Cash balance in German special deposit account			254,408.04

Tripartite Claims Commission: Claims against Hungary.—The awards entered by the Tripartite Claims Commission against Hungary, in favor of American nationals, amounted to $199,975.57. During the fiscal year 1943 no payments were made on account of such awards. As of June 30, 1943, awards aggregating $7,257.35 had not been paid because claimants had not filed applications as required by law.

Claims of American nationals against Turkey

The Special Claims Commission, United States and Turkey, established under the agreement of December 24, 1923 (see page 196 of the annual report for 1940 for further details of this agreement), made awards in 33 cases aggregating $899,338.09, which were reduced by $70,891.06 on account of expenses incurred by the United States, leaving net awards amounting to $828,447.03 payable from funds received from the Republic of Turkey. Under the provisions of the act of February 27, 1896 (29 Stat. 32), these awards were certified on August 19, 1937, by the Secretary of State to the Secretary of the Treasury for payment. During the fiscal year 1943 a pro rata payment was authorized to be made to the claimants by the Treasury from funds amounting to $100,000, available for that purpose. An additional sum of $100,000 was received June 23, 1943, but too late to enable the Treasury to make payments to claimants in the fiscal year 1943.

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Statements of awards made by Special Claims Commission, United States and Turkey as of June 30, 1943

Amount awarded to claimants:		
Amount of claims	$539,844.13	
Interest allowed	359,493.96	
Total	899,338.09	
Less deductions on account of expenses incurred by the United States	70,891.06	
Amount of awards		$828,447.03
Amount received from Republic of Turkey:		
To June 30, 1942	700,000.00	
During fiscal year 1943	100,000.00	
Total	800,000.00	
Less reimbursement for expenses by the United States	70,891.06	
Available for payment to claimants		729,108.94
Amount paid to claimants:		
To June 30, 1942	519,453.10	
During fiscal year, 1943	93,521.50	
Total		612,974.60
Balance due claimants for which vouchers have not been received		116,134.34

Claims of American nationals against Mexico

Under the convention between the United States and Mexico dated April 24, 1934, covering the settlement of the claims presented by the Government of the United States to the Commission established by the Special Claims Convention concluded September 10, 1923, the amount to be paid by the Government of Mexico to the Government of the United States was fixed at $5,448,020.14. (See page 129 of the annual report for 1941 for further details.)

On June 20, 1938, the Secretary of State certified to the Secretary of the Treasury for payment a list of awards entered by the Special Mexican Claims Commission aggregating $9,137,341.79, subsequently adjusted to $9,140,541.89, which were subject to reduction on a percentage basis as provided in section 4 of the act approved April 10, 1935. The final awards as adjusted aggregated $5,210,108.92. The expenses of the Commission were determined to be $241,549.31, and this amount was transferred to miscellaneous receipts on December 4, 1940.

As of June 30, 1943, there had been received and made available for distribution to claimants the sum of $4,445,071.99. Amounts aggregating 85.31 percent of the final awards of $5,210,108.92 have been authorized to be distributed to the claimants.

Statement of awards made by Special Mexican Claims Commission, United States and Mexico, as of June 30, 1943

Amount of final awards to claimants after application of sec. 4 of the act approved Apr. 10, 1935		$5,210,108.92
Amount received from Government of Mexico:		
To June 30, 1942, $4,000,000 principal and $172,141.10 interest	$4,172,141.10	
Jan. 5, 1943, $500,000 principal and $14,480.20 interest	514,480.20	
Total to June 30, 1943		4,686,621.30
Less amount transferred to miscellaneous receipts to cover the expenses of the Commission		241,549.31
Available for payment to claimants		4,445,071.99
Amount paid to claimants:		
Fiscal year 1939	2,087,193.47	
Fiscal year 1940	678,717.90	
Fiscal year 1941	537,124.56	
Fiscal year 1942	516,380.29	
Fiscal year 1943	505,672.15	
Total to June 30, 1943		4,325,088.37
Balance due claimants:		
For which vouchers have not been received	119,655.56	
For subsequent distribution	328.06	
		119,983.62

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Settlement of Mexican Claims Act of 1942

Under the convention between the United States and Mexico dated November 19, 1941, the Government of the United Mexican States agreed to pay, and the Government of the United States agreed to accept, the sum of $40,000,000 in United States currency as the balance due from the Government of the United Mexican States in full settlement, liquidation, and satisfaction of the following claims:

(a) All claims filed by the Governments of the United States and the United Mexican States with the General Claims Commission, established by the two countries pursuant to the convention signed September 8, 1923.

(b) All agrarian claims of nationals of the United States of America against the Government of the United Mexican States, which arose subsequent to August 30, 1927, and prior to October 7, 1940, including those referred to in the agreement effected by the exchange of notes signed by the Government of the United States and the Government of the United Mexican States on November 9 and 12, 1938, respectively; and

(c) All other claims of nationals of either country, which arose subsequent to January 1, 1927, and prior to October 7, 1940, and involving international responsibility of either Government toward the other Government as a consequence of damage to or loss or destruction of or wrongful interference with the property of the nationals of either country.

Under Article IV of the agreement it is provided that there is credited against the sum of $40,000,000 the sum of $3,000,000 representing the aggregate payments made, prior to the signing of the agreement, pursuant to the agreement in relation to agrarian claims, effected by the exchange of notes signed November 9 and 12, 1938. There shall also be credited the additional sum of $3,000,000 which will be paid on the date of the exchange of ratification of the agreement signed November 19, 1941.

The balance of $34,000,000 is to be paid in annual installments of $2,500,000 beginning one year after the date of the signing of the agreement, until the complete liquidation of the debt. The Government of the United Mexican States may, in its discretion, for the purpose of reducing the period for complete liquidation of the balance due, increase the amount of any of the annual installments, or pay any such installment or installments in advance.

The agreement was ratified by the Senate of the United States on January 29, 1942, signed by the President of the United States on February 10, 1942, and ratified by the Mexican Government on February 12, 1942; ratifications were exchanged at Washington on April 2, 1942, and the agreement was proclaimed by the President of the United States on April 9, 1942.

To provide for the settlement of the claims covered by the agreement of November 19, 1941, Congress passed the "Settlement of Mexican Claims Act of 1942," approved December 18, 1942. Under section 8 of this act there was created in the Treasury a special fund known as the Mexican claims fund. The Secretary of the Treasury is authorized and directed to cover into the fund (1) the sum of $3,000,000 representing the total amount of payments heretofore made by the Government of Mexico under the agrarian claims agreement of 1938, (2) the sum of $3,000,000 which was paid by the Govern-

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ment of Mexico upon exchange of ratifications of the agreement of November 19, 1941, (3) such other sums as are paid by the Government of Mexico pursuant to the agreement of November 19, 1941, and (4) the sum of $533,658.95 representing the total amount of awards and appraisals, plus interest, made with respect to the claims on behalf of Mexican nationals against the Government of the United States which were filed with the General Claims Commission.

The amounts covered into the Mexican claims fund as of June 30, 1943, are as follows:

	Amount
Under the agrarian claims agreement of 1938	$3,000,000.00
Paid on exchange of ratifications of the agreement	3,000,000.00
Annual installment due from Government of Mexico Nov. 19, 1942	2,500,000.00
Appropriated by the Government of the United States covering amount of awards and appraisals made on behalf of Mexican nationals	533,658.95
Total	9,033,658.95

The Settlement of Mexican Claims Act of 1942 makes no provisions for payment to Mexican nationals out of the Mexican claims fund as the Government of Mexico agreed to pay its own nationals the amount of $533,658.95 on account of awards or appraisals made on their behalf.

Under date of December 28, 1942, the Secretary of State certified to the Secretary of the Treasury for payment under section 6 (b) the awards and appraisals made in favor of American nationals as follows:

	Amount
Decisions rendered by the General Claims Commission	$201,461.08
Appraisals agreed upon by the Commissioners designated by Governments of the United States and Mexico respectively pursuant to the general claims protocol between the United States and Mexico signed April 24, 1934	2,599,166.10
Total	2,800,627.18

In accordance with the provisions of section 8 (c) of the Settlement of Mexican Claims Act of 1942 the Secretary of the Treasury authorized a distribution of 30 percent of the above awards and appraisals certified for payment.

The following statement shows the status of the Mexican claims fund as of June 30, 1943.

Credits:	*Amount*
Payments received from Government of Mexico under agreement of Nov. 19, 1941	$8,500,000.00
Appropriation made by Government of the United States on account of awards and appraisals made on behalf of Mexican nationals	533,658.95
Total	9,033,658.95
Amount paid to American claimants during the fiscal year 1943	637,036.24
Balance in fund June 30, 1943	8,396,622.71
Assets—unexpended balances June 30, 1943:	
To credit of disbursing officer	202,963.76
On books of Division of Bookkeeping and Warrants	8,193,658.95
Total fund assets June 30, 1943	8,396,622.71

Railroad obligations

Total receipts during the fiscal year on account of realization on railroad securities acquired under section 210 of the Transportation Act, 1920, as amended, were $1,883,776.46.

The following statement shows the total amount of railroad obligations, by classes, originally held by the United States Government (exclusive of certain miscellaneous obligations acquired by the Director General of Railroads), the amount held on June 30, 1943, and payments received on account.

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Summary of railroad obligations held by the Government as of June 30, 1943, by classes

Class	Principal amount originally held	Principal amount held June 30, 1943	Total payments received	
			Principal	Interest
Transportation Act:				
Sec. 207	$282,712,837.36	$5,007,000.00	[1] $277,695,167.90	$54,360,339.70
Sec. 210	290,800,667.00	[2] 24,601,177.88	[3] 265,688,986.03	93,406,048.93
Federal Control Act:				
Equipment trust notes	346,556,750.00		346,556,750.00	45,338,918.25
Sec. 7	98,401,755.00		98,401,755.00	23,100,562.27
Sec. 12	62,103,453.28		62,103,453.28	4,248,171.96
Total	1,080,575,462.64	29,608,177.88	1,050,446,112.21	220,454,041.11

[1] Stock of the Kansas, Oklahoma & Gulf Ry. Co. in the face amount of $212,500 was sold on the market for $201,830.54, resulting in a difference of $10,669.46 between the receipts and the principal originally held.
[2] Includes loans aggregating $4,485,600 to four carriers, the assets of which have been completely liquidated and were insufficient to meet such claims.
[3] Notes of Wichita Northwestern Ry. Co., Virginia Blue Ridge Ry., and Wilmington, Brunswick & Southern R. R. Co. were sold pursuant to the provisions of act of Aug. 13, 1940, for $67,246.91, resulting in a difference of $510,503.09 between the receipts and the principal originally held.

Section 204, Transportation Act, 1920, as amended.—On January 7, 1941, section 204 was amended by Public No. 893, to permit the reopening by certain short-line rail carriers of claims against the United States before the Interstate Commerce Commission. Under the act the Commission is authorized to ascertain and certify to the Secretary of the Treasury the amounts payable to carriers under this section as amended. The act provides that no claim certified shall be for an amount in excess of $150,000. No payments were made during the fiscal year as no appropriation was available for payment of any amounts certified for payment.

Under section 204 (g) of the Transportation Act, 1920 (approved February 28, 1920), an indefinite appropriation was made to pay claims of this character. The amount previously paid under section 204 was $10,967,801.80, as reported in the Secretary's annual report for the fiscal year 1937, page 83. The Permanent Appropriation Repeal Act of 1934 repealed the indefinite appropriation made for the payment of this class of claims. However, a specific appropriation of $800,000, available for the fiscal year 1942, was made in the Second Deficiency Appropriation Act, 1941, approved July 3, 1941 (Public Law 150). The Interstate Commerce Commission certified to the Secretary of the Treasury for payment claims aggregating $184,602.58, of which claims aggregating $167,529.85 were paid during the fiscal year 1942. Claims certified to the Secretary of the Treasury during the fiscal year 1943 aggregating $22,139.11 and one claim amounting to $17,072.73 which was outstanding in the fiscal year 1942 were paid during the fiscal year 1943. In the Treasury and Post Office Departments Appropriation Act, 1943, approved March 10, 1942 (Public Law 495), $600,000 of the unexpended balance was made available until June 30, 1943. The total payments under this section aggregated $11,174,543.49 as of the end of the fiscal year.

Section 207, Transportation Act, 1920, as amended.—The following statement shows the amount of obligations of carriers acquired under section 207 and held on June 30, 1943.

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Obligations acquired under the provisions of section 207 of the Transportation Act, 1920, and held as of June 30, 1943

Carrier	Principal amount of promissory note or of directly held security	Collateral, face amount	Class of collateral or of directly held security	Principal in default	Interest in default
Chicago, Milwaukee, St. Paul & Pacific R. R. Co.	$3,207,000	(1)	5% noncumulative preferred stock of carrier.	----------	----------
Minneapolis & St. Louis R. R. Co.	1,250,000	$1,500,000	Refunding and extension mortgage, 5% bonds of carrier.	$1,250,000	$1,350,000.00
Washington, Brandywine & Point Lookout R. R. Co.	50,000	75,000	First mortgage, 6% bonds of carrier.	50,000	28,408.98
Waterloo, Cedar Falls & Northern Ry. Co.	500,000	625,000	Temporary general mortgage, 7% bonds of carrier.	500,000	604,931.50
Total	5,007,000	----------	----------	1,800,000	1,983,340.48

[1] Securities directly held.

Section 210, Transportation Act, 1920, as amended.—This section established a revolving fund of $300,000,000 to be used for loans to railroads under the conditions set forth in a certificate of the Interstate Commerce Commission authorizing each loan, and also for paying judgments, decrees, and awards rendered against the Director General of Railroads. No new loans are being made as the time for making application has expired. No expenditures under this section were made during the fiscal year. The net expenditures on this account amounted to $33,640,740.24 to June 30, 1943.

Total loans (including renewal loans and repayments thereof aggregating $59,800,000) to June 30, 1943, amounted to $350,600,667; repayments amounted to $325,488,986.03, and losses on sales under the act of August 13, 1940, aggregating $510,503.09 reduced the loans outstanding as of that date to $24,601,177.88.

Pursuant to the act of August 13, 1940 (Public No. 766), and Executive Order No. 8533, dated September 6, 1940, the Secretary of the Treasury accepted a cash offer of $15,000 to purchase the promissory note, dated January 15, 1921, of the Wilmington, Brunswick & Southern R. R. Co. in the principal amount of $90,000, acquired under the provisions of section 210 of the Transportation Act, 1920.

The following statement shows the amount of obligations held on June 30, 1943, on account of loans to carriers under section 210, and the amount of principal and interest in default.

Obligations held on June 30, 1943, on account of loans to carriers under sec. 210 of the Transportation Act, 1920, as amended, and the amount of principal and interest in default

Carrier	Loans outstanding	Principal in default	Interest in default
Alabama, Tennessee & Northern R. R. Corporation	$151,500.00	$151,500.00	$86,355.00
Des Moines & Central Iowa R. R. Co. (formerly the Inter-Urban Ry. Co.)	633,500.00	633,500.00	558,651.34
Fort Dodge, Des Moines & Southern R. R. Co.	200,000.00	200,000.00	124,291.03
Gainesville & Northern R. R. Co.	[1] 75,000.00	----------	----------
Georgia & Florida Ry. (receiver)	792,000.00	792,000.00	641,520.00
Minneapolis & St. Louis R. R. Co.	1,382,000.00	1,382,000.00	1,621,049.73
Missouri & North Arkansas Ry. Co.	13,500,000.00	----------	----------
Salt Lake & Utah R. R. Co.	[1] 872,600.00	----------	----------
Seaboard Air Line Ry. Co.	14,440,577.88	14,440,577.88	8,560,568.77
Seaboard-Bay Line Co.	1,256,000.00	1,256,000.00	323,146.96
Virginia Southern R. R. Co.	[1] 38,000.00	----------	----------
Waterloo, Cedar Falls & Northern Ry. Co.	1,260,000.00	1,260,000.00	1,572,855.71
Total	24,601,177.88	20,115,577.88	13,488,438.54

[1] Assets of these carriers have been completely liquidated, and were insufficient to meet these claims.

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Federal control of railroads

Administration.—The Treasury continued during the fiscal year 1943 the liquidation of matters growing out of the control of the American transportation system, which was exercised through the United States Railroad Administration during the period from December 28, 1917, to February 29, 1920.

Finances.—Total receipts on account of the Federal control of railroads for the fiscal year 1943 were $3,828.79, and expenditures were $3,074.97, resulting in net receipts of $753.82, as compared with net receipts of $290,115.27 for 1942.

At the close of business on June 30, 1943, the cash and appropriation balance aggregated $36,131.80 as compared with $415,377.98 at the close of 1942.

A statement of receipts and expenditures follows.

Receipts and expenditures in connection with Federal control of railroads, fiscal years 1942 and 1943

	1942		1943	
Balances at beginning of year:				
Secretary of the Treasury, special deposit account	$72,849.47		$30,236.44	
Unrequisitioned appropriation balances:				
Federal control of transportation systems	452,413.24		385,141.54	
Loans to railroads after termination of Federal control				
Total balances		$525,262.71		$415,377.98
Receipts:				
Collections of principal on obligations of carriers				
Collections of interest on obligations of carriers				
Income taxes of Federal carriers repaid by Treasury	287,986.34			
Victory tax withheld from Federal employees, Treasury Department			38.48	
Collection of miscellaneous claims referred to Washington from field, including transportation charges, undercharges, etc	4,799.96		3,790.31	
Total receipts		292,786.30		3,828.79
Total balances and receipts		818,049.01		419,206.77
Expenditures:				
Employees' compensation liability awards	767.13		786.42	
Deposit with the Workmen's Compensation Board of Ontario, account of compensation liability				
Claims for unpaid wages, back-pay awards, and Liberty bond subscription refunds	138.90		212.55	
Payments to collector of internal revenue of Victory tax withheld from Federal employees, Treasury Department			19.28	
Administrative expenses (pay rolls)	1,765.00		2,056.72	
Total expenditures		2,671.03		3,074.97
Transfers from appropriation account to surplus fund		400,000.00		380,000.00
Balances at end of year:				
Secretary of the Treasury, special deposit account	30,236.44		30,986.10	
Federal control of transportation systems	385,141.54		5,145.70	
Total balances		415,377.98		36,131.80
Total expenditures and balances		818,049.01		419,206.77

Pursuant to the provisions of section 12 of the Federal Control Act and with the approval of the President $380,000 of the balance in the appropriation account "Federal Control of Railroads," was transferred to the surplus fund during the year.

Securities, etc.—No collections were made since November 24, 1936, on account of the obligations of carriers acquired under section 207 of the Transportation Act, 1920, as amended, which are listed on page 192

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Pursuant to the act of August 13, 1940 (Public No. 766), and Executive Order No. 8533, dated September 6, 1940, the Secretary of the Treasury accepted cash offers to purchase the following stock and promissory note acquired under section 202 of the Transportation Act, 1920, as follows:

E. F. Drew and Co., Inc., (stock)	$630.08
Virginia Blue Ridge Ry. Co. (loans and bills receivable)	2,500.00
Total	3,130.08

Claims.—The principal claims presented during the period were on account of refunds of installments paid on subscriptions for Liberty Loan bonds by employees of carriers during Federal control. Total payments on account of allowed claims of this character amounted to $212.55 during the year.

Compensation payments—United States railroad employees.—Expenditures on account of the compensation award of a railroad employee residing in the United States amounted to $786.42 during the year.

Canadian Workmen's Compensation Board.—The Canadian Workmen's Compensation Board, located at Toronto, Canada, has jurisdiction over certain cases of disability resulting from accidents during the period of Federal control on those railroads having lines extending into Canada. Payments under Canadian compensation awards, made from funds so deposited with the Board, amounted to $2,706.00 during the calendar year 1942. Interest amounting to $1,269.92 was added to the fund, leaving a balance of $27,319.70 to cover awards as of December 31, 1942. The figures showing the balance as of June 30, 1943, are not available inasmuch as the Board's reports are on a calendar year basis. However, the status of the fund as of December 31, 1942, was as follows:

Balance Dec. 31, 1941	$25,928.91
Payments from Treasury	2,826.87
Interest Jan. 1, 1942, through Dec. 31, 1942	1,269.92
Total	30,025.70
Payments of awards by Board during 1942	2,706.00
Balance Dec. 31, 1942	27,319.70

Tax refunds and other collections.—Under the terms of the Federal Control Act and the standard contract with the carriers, the Director General paid 2 percent of all Federal income taxes assessed against carriers formerly under Federal control. Subsequently, the United States Board of Tax Appeals held that such taxes should not have been assessed against either the carriers or the Director General. No adjustments of these claims were made during the fiscal year. Further claims for such paid taxes amounting to $438,770.84 are still pending before the Board of Tax Appeals (now The Tax Court of the United States).

All unpaid judgments which have not expired by reason of the statute of limitations, and other claims are being reviewed from time to time to determine whether any amounts can be collected thereon. Collections from this source amounted to $58 during 1942 and $49 during 1943.

Federal Farm Mortgage Corporation

Under section 32 of the Emergency Farm Mortgage Act of 1933, approved May 12, 1933 (49 Stat. 43), as amended, the Secretary of

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the Treasury is authorized to pay to the Federal Farm Mortgage Corporation such amount as the Governor of the Farm Credit Administration certifies to the Secretary of the Treasury is equal to the amount by which interest payments on mortgages held by such Corporation have been reduced. Public Law 629, approved June 27, 1942 (56 Stat. 391), extended to June 30, 1944, the period for which payments are to be made to the Federal Farm Mortgage Corporation on account of reductions in interest, and made this provision applicable to interest on purchase-money mortgages and on real estate sales contracts taken by the Federal Farm Mortgage Corporation which is payable on installment dates on or after July 1, 1942, and prior to July 1, 1944.

A statement of the amounts appropriated and payments to the Federal Farm Mortgage Corporation follows.

Appropriations on account of reductions in interest rate on mortgages, and payments to the Federal Farm Mortgage Corporation for this purpose, fiscal years 1938 to 1943

Amounts appropriated:		
To June 30, 1942		$42,725,000.00
Second Supplemental National Defense Appropriation Act, 1943, approved Oct. 26, 1942		9,000,000.00
Total to June 30, 1943		51,725,000.00
Payments to Federal Farm Mortgage Corporation: [1]		
To June 30, 1942	$39,617,997.46	
Fiscal year 1943	8,815,788.80	
Total to June 30, 1943	48,433,786.26	
Transfers from appropriation account to surplus fund	1,039,837.94	
		49,473,624.20
Unexpended appropriations, June 30, 1943		2,251,375.80

[1] On basis of daily Treasury statements.

Federal land banks

Capital stock.—Under the act of January 23, 1932 (12 U. S. C. 698), amending the Federal Farm Loan Act, it is the duty of the Secretary of the Treasury on behalf of the United States, upon the request of the board of directors of any Federal land bank made with the approval of the Farm Credit Administration, to subscribe from time to time for capital stock of such bank. The act further provides that such stock may at any time, in the discretion of the directors and with the approval of the Farm Credit Administration, be paid off at par and retired in whole or in part and that the Farm Credit Administration may at any time require such stock to be paid off at par and retired in whole or in part if, in its opinion, the bank has resources available for such purpose. The proceeds of all repayments on account of stock subscribed for by the Secretary of the Treasury are held in the Treasury and are available for the purpose of paying for other stock thereafter issued pursuant to said act.

To enable the Secretary of the Treasury to pay for said stock, $125,000,000 was appropriated under the act approved February 2, 1932. The following statements show the transactions in connection with subscriptions to stock of Federal land banks during 1943.

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Subscriptions by the Secretary of the Treasury to stock of Federal land banks and repayments thereon, fiscal year 1943

[Par value of shares]

Federal land bank	Shares held June 30, 1942	Shares subscribed fiscal year 1943 [1]	Shares repaid fiscal year 1943 [1]	Shares held June 30, 1943 [2]
Baltimore	$3,157,935		$1,520,555	$1,637,380
Columbia	4,919,205		3,431,850	1,487,355
St. Paul	40,220,520	$75,000,000	44,465	115,176,055
Wichita	5,438,940		4,353,845	1,085,095
Omaha	5,551,945		4,513,095	1,038,850
Spokane	8,083,420		7,029,270	1,054,150
Total	67,371,965	75,000,000	20,893,080	121,478,885

[1] On basis of daily Treasury statements.
[2] The Federal land banks of Springfield, Louisville, New Orleans, St. Louis, Houston, and Berkeley had no outstanding capital stock held by the Secretary of the Treasury as of June 30, 1943.

Payments on account of reductions in interest rates on mortgages and subscriptions to paid-in surplus.—The Secretary of the Treasury is directed, under certain conditions, to make payments to Federal land banks equal to the amount by which interest payments on mortgages held by such banks have been reduced pursuant to the Federal Farm Loan Act, as amended, and he also subscribes, under specified conditions and in the manner prescribed by the Federal Farm Loan Act, as amended, to the paid-in surplus of each Federal land bank an amount equal to the amount of all extensions and deferments of any obligation that may be or may become unpaid under the terms of any mortgage.

Amendments to the law under which subscriptions are made to the paid-in surplus of the Federal land banks are contained in the Farm Credit Act of 1937, approved August 19, 1937. The period for which payments to Federal land banks on account of reductions in interest rates may be made was extended to June 30, 1944, pursuant to Public Law 629, approved June 27, 1942 (56 Stat. 391). This law also made the provisions relating to the reduction of interest applicable to interest on real estate sales contracts taken by Federal land banks which is payable on installment dates after June 30, 1942.

A statement as of June 30, 1943, of the amounts appropriated on account of reductions in interest rates on mortgages and of payments to Federal land banks for this purpose is here set forth.

Appropriations on account of reductions in interest rates on mortgages and payments to Federal land banks for this purpose to June 30, 1943

1. Amounts appropriated:

To June 30, 1942	$236,067,000.00
Second Supplemental National Defense Appropriation Act, 1943, approved Oct. 26, 1942	24,800,000.00
Total to June 30, 1943	260,867,000.00

2. Payments to Federal land banks:

Federal land bank	Amount paid to June 30, 1942	Amount paid fiscal year 1943 [1]	Amount paid to June 30, 1943
Springfield	$8,363,266.56	$926,055.97	$9,289,322.53
Baltimore	9,967,121.35	990,607.34	10,957,728.69
Columbia	9,370,723.98	948,146.13	10,318,870.11
Louisville	22,940,181.84	2,268,450.02	25,208,631.86
New Orleans	12,026,724.45	1,156,327.94	13,183,052.39
St. Louis	20,137,229.84	2,147,352.79	22,284,582.63
St. Paul	32,741,657.99	3,713,316.26	36,454,974.25
Wichita	18,417,966.11	1,949,581.21	20,367,547.32
Houston	25,927,982.56	2,695,132.98	28,623,115.54
Berkeley	13,489,208.25	1,485,065.49	14,974,273.74
Omaha	39,912,116.77	4,564,709.24	44,476,826.01
Spokane	13,992,723.15	1,511,308.26	15,504,031.41
Total	227,286,902.85	24,356,053.63	251,642,956.48

3. Transfers from appropriation account to surplus fund $2,309,853.79
4. Unexpended appropriations, June 30, 1943 ..... 6,914,189.73

[1] On basis of daily Treasury statements.

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Appropriations for subscriptions to paid-in surplus to June 30, 1937, amounted to $189,000,000. No appropriation for this purpose has been made since that date. A statement as of June 30, 1943, of the amounts appropriated for subscriptions to the paid-in surplus of Federal land banks on account of extensions and deferments, and net repayments by the Federal land banks follows.

Appropriations for subscriptions to the paid-in surplus of Federal land banks on account of extensions and deferments, and payments for this purpose to June 30, 1943

1. Amounts appropriated:
To June 30, 1943 ..... $189,000,000.00

2. Payments to Federal land banks:

Federal land bank	Amount paid to June 30, 1942	Net amount paid fiscal year 1943 [1]	Amount paid to June 30, 1943
Springfield	$8,317,138.66	[2] $1,000,000.00	$7,317,138.66
Baltimore	4,190,251.29		4,190,251.29
Columbia	9,136,953.42		9,136,953.42
New Orleans	11,675,585.41	[2] 3,500,000.00	8,175,585.41
St. Louis	11,413,256.57	[2] 600,000.00	10,813,256.57
St. Paul	34,764,269.94	1,456,631.21	36,220,901.15
Wichita	16,850,213.90		16,850,213.90
Berkeley	4,550,945.55	[2] 600,000.00	3,950,945.55
Omaha	30,740,238.50		30,740,238.50
Spokane	14,222,384.78		14,222,384.78
Total	145,861,238.02	[2] 4,243,368.79	141,617,869.23

3. Unexpended appropriations, June 30, 1943 ..... $47,382,130.77

[1] On basis of daily Treasury statements.
[2] Excess of repayments (deduct).

Federal savings and loan associations

Under the act of June 13, 1933 (48 Stat. 133), as amended April 27, 1934 (48 Stat. 645), the Secretary of the Treasury was authorized on behalf of the United States to subscribe for preferred shares and full-paid income shares in Federal savings and loan associations upon request of the Federal Home Loan Bank Board. An appropriation of $50,000,000 to enable the Secretary of the Treasury to purchase such shares was reduced by an allocation of $700,000 to the Federal Home Loan Bank Board. The details concerning the provisions of law under which these subscriptions were made and the appropriations are contained in the annual report for 1940, pages 176 and 177.

The Home Owners' Loan Corporation also was authorized to purchase full-paid income shares of Federal savings and loan associations after the funds available to the Secretary of the Treasury for the purchase of such shares had been exhausted. The funds available to the Secretary of the Treasury were exhausted on October 25, 1935.

During the fiscal year 1943 the sum of $7,958,600 was received on account of shares repaid, making the total shares repaid to June 30, 1943, $37,816,000.

The following statement shows the transactions in connection with the subscriptions by the Secretary of the Treasury to preferred and full-paid income shares in these associations during the fiscal year 1943.

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Preferred and full-paid income shares of Federal savings and loan associations subscribed by the Secretary of the Treasury to June 30, 1943, and dividends received

[Par value of shares]

	Preferred shares	Full-paid income shares	Total
Total shares subscribed and paid	$637,800	$48,662,200	$49,300,000.00
Shares held on June 30, 1942		19,442,600	19,442,600.00
Less shares repaid during 1943		7,958,600	7,958,600.00
Shares held on June 30, 1943		11,484,000	11,484,000.00
Dividends received on preferred and full-paid income shares:			
To June 30, 1942			9,580,946.87
During 1943			540,310.60
To June 30, 1943			10,121,257.47

Trust and special funds invested by the Treasury Department

Under various provisions of law creating trust and special funds, the Secretary of the Treasury or the Treasurer of the United States is authorized to invest such portions of the funds as are not required to meet current withdrawals. The following statement shows the amount of Government and other securities held in these funds at the close of the fiscal year. Further details on each of these funds are shown in the tables beginning on page 674.

Securities held as investments in trust and special funds, at par value, June 30, 1943

[In thousands]

Fund	Government securities	Government guaranteed securities	Other securities	Total
Adjusted service certificate fund	$18,268			$18,268
Ainsworth Library fund, Walter Reed General Hospital	10			10
Alaska Railroad retirement and disability fund	1,552			1,552
Canal Zone retirement and disability fund	7,960			7,960
Civil service retirement and disability fund	1,060,321			1,060,321
District of Columbia teachers' retirement fund	8,918	$95	$1,257	10,264
District of Columbia water fund	1,773			1,773
District of Columbia workmen's compensation fund	32		11	43
Federal old-age and survivors insurance trust fund	4,236,834			4,236,834
Foreign service retirement and disability fund	6,115			6,115
Library of Congress trust fund			182	182
Longshoremen's and harbor workers' compensation fund	199	10	43	251
National Cancer Institute gift fund				
National Institute of Health gift fund	79			79
National park trust fund	18			18
National service life insurance fund	351,725			351,725
Pershing Hall Memorial fund	191			191
Railroad retirement account	178,000			178,000
Unemployment trust fund	4,367,000			4,367,000
U. S. Government life insurance fund	965,718		41,999	1,007,717
Total	11,204,707	105	43,491	11,248,303

NOTE.—Figures have been rounded to nearest thousand and will not necessarily add to totals.

Liquidation of Emergency Relief Accounting Organization

The Emergency Relief Accounting Organization, under the Commissioner of Accounts, which was established by authority of Executive Order No. 7034, dated May 6, 1935, and Department Circular No. 543 approved by the President, was liquidated during the fiscal year 1943.

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As explained in the Annual Report of the Secretary of the Treasury for the fiscal year 1942, the recommendation of the Secretary to the President for the liquidation of this accounting organization was in line with the policy of reducing nondefense expenditures and making available the maximum number of trained personnel for war activities.

On June 30, 1942, there were 382 employees on the pay roll of the Emergency Relief Accounting Organization, 216 of whom were located in the Treasury central accounts office and 166 in 19 regional Treasury accounts offices. During July 1942 the work in 13 of the regional offices of closing the accounts, submitting final financial reports to the central office, disposing of records, property, and equipment, and placing the personnel in employment elsewhere was completed and the offices were closed. The work of the remaining 6 regional offices was completed and the offices were closed by August 15, 1942.

The final closing of the Central Office accounts, preparation of the complete financial report as of June 30, 1942, and administrative activities in winding up the affairs of the organization necessarily proceeded beyond the period of liquidation in the field. The final financial report as of June 30, 1942, required under the provisions of the Emergency Relief Appropriation Act, fiscal year 1942, was prepared in the same manner and detail as for previous years. This report was submitted by the President to the Congress on January 11, 1943. The report disclosed that the Congress had made available to June 30, 1942, the total sum of $15,243,092,663.15 under the several emergency relief appropriation acts and that $15,144,839,147.45 of this sum was obligated and $15,084,249,293.68 expended. For a summary of the expenditures under the program, by organizations and years, see table 10, page 511 of this report.

Orderly disposition was made of all records, property, and supplies under proper authority and it was possible to arrange for the placement of all employees of the accounting organization in suitable positions with other Government agencies. Some employees, however, elected to take employment in industry.

The appropriation provided by the Congress for the liquidation of the emergency relief accounting organization was $300,000. The liquidation expense, however, amounted to $173,896.70, leaving an unused balance of $126,103.30.

Bureau of the Public Debt

The Bureau of the Public Debt, in the Fiscal Service under the Commissioner of the Public Debt, is charged with the conduct of transactions in the public debt issues of the United States. As agent, the Bureau also conducts transactions in the interest-bearing issues of the insular governments and of Government corporations and credit agencies. The Bureau is also charged with the procurement of distinctive paper for the currency and public debt issues, with the verification of United States currency redeemed by the Treasurer of the United States and of imperfect securities delivered by the Bureau of Engraving and Printing, and with the destruction of redeemed currency and other securities authorized to be destroyed.

Near the beginning of the fiscal year, the Bureau of the Public Debt transferred to Chicago all of its operations involving issued savings bonds, together with the entire Division of Savings Bonds,

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now functioning chiefly as a promotional adjunct of the War Finance Division. With this exception, the functions of the Chicago office, dealing solely with the United States savings bonds of all series, follow the general pattern of the regularly assigned duties of the Bureau, and embrace a branch of the Commissioner's office, under a Deputy Commissioner, and branches of the Division of Loans and Currency, the Office of the Register of the Treasury, and the Division of Public Debt Accounts and Audit.

The Bureau of the Public Debt comprises six major divisions whose duties and functions are discussed in the following pages.

Office of the Commissioner

The Office of the Commissioner exercises general control over the activities of the Bureau and supervision over the conduct of public debt transactions by other branches of the Government service and by the Federal Reserve Banks and branches as fiscal agents of the United States. The Office prepares official circulars and other documents incident to new and outstanding issues of public debt securities, and directs transactions in connection therewith; directs the production of securities; and prepares regulations governing transactions in public debt obligations after their issue.

Chicago Branch—Office of Deputy Commissioner (Administrative Office).—A total of 1,193 employees moved from Washington to form the nucleus around which the Chicago Office was built. By the end of June 1943, 8,052 employees had been recruited from the Chicago area, but, with the inevitable losses to the military services and with resignations and terminations, the total was 6,820 at the close of the fiscal year.

During the year the preparation of pay rolls was changed from a plate to a punch-card system; a training program for new employees was established; supervisors conferences were inaugurated; and a budget and accounts section was created. It is estimated that 427,000 pieces of mail were received and 643,000 dispatched by the regular mail subunit. About 1932 purchase orders were released.

Several worthwhile revisions in the operating procedures were proposed by members of the Administrative Office, including one which changed the routine of processing savings bonds retired by the Federal Reserve Banks so that the Chicago Branch of the Office of the Treasurer transferred the retired bonds directly to the Office of the Register of the Treasury in Chicago and the bonds were no longer processed by, or entered in the records of, the Division of Loans and Currency.

Division of Loans and Currency

This Division is the agency through which public debt obligations of the United States are issued and transactions in such obligations after their issue are conducted, either directly or through the Federal Reserve Banks. It is also responsible for the issue of the securities of various Government corporations and credit agencies; and for the issue of obligations of the insular governments, for which the Treasury Department acts as agent. The Division undertakes the safekeeping of securities for certain Government offices. It maintains the accounts

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of the registered issues, and issues checks in payment of interest thereon; it verifies and delivers to the Destruction Committee canceled currency redeemed by the Treasurer of the United States and mutilated paper (spoilage, etc.) received from the Division of Paper Custody and the Bureau of Engraving and Printing.

Washington Office of the Division of Loans and Currency

Issue and retirement of securities.—The following is a summary of the issue and retirement of securities conducted through the Division of Loans and Currency in Washington during the fiscal year 1943.

Transactions in public debt and insular securities and in securities of various Government corporations and credit agencies, fiscal year 1943

[Principal amount]

Transaction	Bearer	Registered	Total
Public debt securities:			
On hand July 1, 1942	$28,862,166,700	[1] $13,940,744,925	[1] $42,802,911,625
Unissued stock returned to Division		34,775	34,775
Received from Bureau of Engraving and Printing	213,658,000,000	64,905,766,810	278,563,766,810
Total to be accounted for	242,520,166,700	78,846,546,510	321,366,713,210
Stock shipments to Federal Reserve Banks and branches, Post Office Department, and issuing agents for United States savings bonds	135,415,508,250	32,001,221,600	167,416,729,850
Issued by Division	123,370,350	13,667,568,715	13,790,939,065
Unissued stock delivered to Register of the Treasury	2,747,872,700	10,176,300	2,758,049,000
Unissued stock delivered to Bureau of Engraving and Printing		50,000	50,000
Total disposals	138,286,751,300	45,679,016,615	183,965,767,915
On hand June 30, 1943	104,233,415,400	33,167,529,895	137,400,945,295
Retired and redeemed	416,749,285	6,782,194,400	7,198,943,685
Insular securities and securities of Government corporations and credit agencies:			
On hand July 1, 1942	5,098,998,024	1,159,748,800	6,258,746,824
Received from Bureau of Engraving and Printing	191,100,000	307,700,000	498,800,000
Total to be accounted for	5,290,098,024	1,467,448,800	6,757,546,824
Stock shipments to Federal Reserve Banks and branches	356,510,500		356,510,500
Issued by Division	650,955	225,115,250	225,766,205
Unissued stock delivered to Register of the Treasury	748,520,250	349,445,500	1,097,965,750
Total disposals	1,105,681,705	574,560,750	1,680,242,455
On hand June 30, 1943	4,184,416,319	892,888,050	5,077,304,369
Retired and redeemed	9,464,275	710,107,419	719,571,694

[1] Excludes $70,148,950 of savings bonds spoiled in issue and sent to the Chicago Branch.

Individual registered accounts.—Individual accounts are maintained in the Washington Office in connection with registered issues of the United States (excluding savings bonds) and of securities of various Government corporations and credit agencies; and interest is paid

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Federal Reserve Bank of St. Louis

periodically in the form of checks on the interest-bearing debt. The accounts open June 30, 1943, were as follows:

Registered issues	Number of accounts	Principal
Public debt:		
Interest-bearing loans [1]	442,334	$19,076,959,896.40
Matured loans (Liberty, Victory, Treasury, postal savings bonds, etc.)	18,838	23,728,970.00
Total public debt issues	461,172	19,100,688,866.40
Others:		
Interest-bearing loans:		
Home Owners' Loan Corporation bonds	2,581	230,736,000.00
Federal Farm Mortgage Corporation bonds	10,856	40,293,800.00
Consolidated Federal farm loan bonds	6,168	34,098,200.00
Federal Housing Administration debentures	572	23,458,636.23
Total interest-bearing loans	20,177	328,586,636.23
Matured loans:		
Home Owners' Loan Corporation bonds	31	87,000.00
Federal Farm Mortgage Corporation bonds	160	254,300.00
Federal Housing Administration debentures	4	16,250.00
Total matured loans	195	357,550.00
Total other issues	20,372	328,944,186.23

[1] Excludes savings bonds and adjusted service bonds.

There were 43,793 individual accounts closed for registered Liberty bonds, Victory notes, special Treasury notes, certificates of indebtedness, postal savings issues, depositary bonds, and Treasury bonds, etc.; and 5,590 accounts were decreased, representing retirements of securities in the amount of $5,581,905,650 par value. In connection with the same loans, 91,844 new accounts, involving $11,147,645,590 of principal, were opened. During the year 21,495 changes of address for mailing of interest checks were made.

Interest on registered Treasury bonds was paid on due dates in the form of 782,764 checks amounting to $172,354,539.93; on registered securities of the postal savings loans, etc., 59,949 checks for $4,232,692.00 were issued; and on registered Treasury notes and certificates of indebtedness, interest payable by 15 checks amounting to $45,506,686.07 was paid. Also 1 check was issued in payment of interest amounting to $22,507,108.04 on the 4½ percent adjusted service bonds—United States Government life insurance fund series; and 2,029 checks were issued in payment of interest amounting to $2,432,639.42 on the 2 percent depositary bonds. There were received from the Bureau of Engraving and Printing 933,300 checks as stock

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Claims.—Claims for relief, on account of lost, stolen, destroyed, or mutilated securities, handled by the Division of Loans and Currency in Washington during the year were as follows:

Claims	Number of claims	Number of securities	Par amount of securities
	Public debt issues [1]		
On hand July 1, 1942 [2]	10,863	33,373	$5,363,135.75
Received	3,122	9,339	7,472,472.51
Total to be accounted for	13,985	42,712	12,835,608.26
Settled by:			
Reissue or redemption of securities	1,167	3,912	6,218,828.96
Recovery of securities	267	766	512,100.00
Disallowance of claims and credit allowed	120	344	92,286.50
Other dispositions	96	173	836.50
Total disposals	1,650	5,195	6,824,051.96
On hand June 30, 1943	12,335	37,517	6,011,556.30
	Home Owners' Loan Corporation, Federal Farm Mortgage Corporation and consolidated Federal farm loan bonds		
On hand July 1, 1942	282	1,234	$446,850.00
Received	64	464	323,800.00
Total to be accounted for	346	1,698	770,650.00
Settled by reissue, redemption, and recovery or no relief	71	431	312,850.00
On hand June 30, 1943	275	1,267	457,800.00

[1] Includes adjusted service bonds.
[2] Excludes 5,533 claims involving 8,727 savings bonds with a value of $1,180,375.00 charged to the Chicago Branch.

Safekeeping of securities.—During the fiscal year transactions in securities held in safekeeping were as follows:

Issues	On hand July 1, 1942	Received and receipts issued	Released	On hand June 30, 1943
Public debt issues	$7,908,074,906.40	$8,462,600,000.00	$5,459,989,000.00	$10,910,685,906.40
Adjusted service bonds	2,800.00		500.00	2,300.00
Insular securities	6,454,500.00			6,454,500.00
Home Owners' Loan Corporation bonds	551,000,050.00	209,000,375.00	564,000,425.00	196,000,000.00
Total	8,465,532,256.40	8,671,600,375.00	6,023,989,925.00	11,113,142,706.40

Mutilated paper and redeemed currency.—Mutilated paper verified and delivered to the Destruction Committee consisted of 93,895,610 sheets and coupons of which 93,840,103 sheets and coupons were received from the Bureau of Engraving and Printing and 55,507 sheets from the Division of Paper Custody.

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Redeemed currency, unfit for circulation, counted and delivered to the Destruction Committee during the year amounted to 637,465,479 pieces, representing $981,732,268.06 detailed as follows:

Currency	Pieces	Face value
United States notes	29,025,590	$112,237,305.00
Silver certificates	608,337,422	867,149,142.00
Gold certificates	100,104	2,343,590.00
Treasury notes	284	1,800.00
Fractional currency	2,079	431.06
Total	637,465,479	981,732,268.06

In addition to the securities which were delivered to the Register of the Treasury, the Division canceled and delivered to the Register 1,922,182 coupons amounting to $283,171,545.20. Of these, 1,687,301 were public debt coupons amounting to $256,180,716.58 and 234,881 amounting to $26,990,828.62 were coupons from securities of Government corporations and credit agencies.

Reports.—Various periodical and special statements, charts, etc., were prepared by the Washington Office for use in planning financing operations. During the year there was incorporated in these statements information obtained from 81,177 reports covering holdings of Government and Government-guaranteed securities submitted by banks and insurance companies and from 209,894 reports reflecting sales of United States savings bonds submitted by corporations generally and by other agencies.

Chicago Branch of the Division of Loans and Currency

Savings bond stubs and redeemed savings bonds.—The Chicago Branch, which audits the original registration stubs of savings bonds sold, received during the year 202,893,071 Series E stubs from post offices, Federal Reserve Banks and branches, the Treasury, War, and Navy Departments, and other agencies; and 2,860,766 Series F and Series G stubs from Federal Reserve Banks and branches and the Treasury Department. The transactions in these stubs during the year are summarized in the following table:

Registration stubs	Series E	Series F	Series G	Total
On hand July 1, 1942	43,927,101	370,852	962,629	45,260,582
Received during year:				
From post offices	43,092,600			43,092,600
From Federal Reserve Banks, etc.	159,800,471	907,225	1,953,541	162,661,237
Total received	202,893,071	907,225	1,953,541	205,753,837
Total to be processed	246,820,172	1,278,077	2,916,170	251,014,419
Processed during year and filed	90,884,422	505,230	1,219,379	92,609,031
On hand June 30, 1943, in various stages of processing	155,935,750	772,847	1,696,791	158,405,388

The increase in the total number of stubs on hand in various stages of processing resulted from a lack of sufficient space, equipment, and personnel to handle the increasing volume of receipts.

During the year there were received in the Chicago Branch 202,020 savings bonds of all series, having a maturity value of $117,669,875, which were turned in for redemption prior to maturity and on which

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registration was discharged before payment; and to February 22, 1943, when the work was transferred to the Chicago Branch of the Office of the Register, 3,699,609 bonds, having a maturity value of $352,307,050, which were redeemed by the Federal Reserve Banks and branches and the Treasury Department and on which registration was discharged after payment.

Individual accounts for Series F and G bonds.—Individual accounts are maintained in the Chicago Branch in connection with savings bonds of Series F and Series G, and interest is paid semiannually in the form of checks on Series G bonds. During the year interest on these bonds was paid on due dates in the form of 1,675,584 checks aggregating $77,498,229.00.

Claims.—The number of claims for relief, on account of lost, stolen, destroyed, or mutilated savings bonds, handled during the year follows:

Claims	Number of claims
On hand July 1, 1942	[1] 2,500
Received during year	46,106
Total to be accounted for	48,606
Disposals:	
Recovery of securities	10,630
Sent to Washington for approval	14,030
Total disposals	24,660
On hand June 30, 1943	23,946

[1] Excludes claims transferred to the Chicago Branch.

In addition to the 23,946 claims on hand at the end of the year there were 163 reports of loss on which caveats had not been entered. The 14,030 claims sent to Washington for approval covered 20,699 bonds with a maturity value of $1,687,575.

Office of the Register of the Treasury

This Office is charged with the receipt, from any source, of all paid, redeemed, or exchanged public debt securities, including interest coupons and war savings stamps, canceled and retired on any account, and with their final audit and subsequent custody. The Office performs similar functions with respect to the securities issued by various Government corporations and agencies, and retires bonds of the insular possessions which are exchanged for other securities. The Register renders monthly certifications to the Comptroller General of all public debt securities redeemed by the Treasurer of the United States, and establishes credits due the Division of Loans and Currency and the Federal Reserve Banks for securities canceled by them on account of exchanges, etc.

Washington Office of the Register of the Treasury

The following statement shows the number of pieces and face value of the various classes of securities which were received by the Washington Office during the fiscal year 1943.

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Summary of securities received by the Washington Office of the Register of the Treasury on account of transactions, fiscal year 1943

Security	Bearer		Registered	
	Pieces	Amount	Pieces	Amount
	Redeemed			
Public debt securities:				
Postal savings bonds, etc.	23	$600.00	108	$2,183,750.00
Liberty loans	6,180	1,544,350.00	1,050	530,400.00
Treasury bonds	37,272	340,544,550.00	3,227	2,823,100.00
Treasury notes	82,846	1,182,869,600.00	332	1,097,169,000.00
Treasury notes—tax series and savings series			857,404	3,605,664,300.00
United States savings bonds			378,148	[1] 79,433,265.70
Depositary bonds			6	65,000.00
Adjusted service bonds			144,883	7,244,150.00
Certificates of indebtedness	139,018	22,503,460,750.00	61	43,667,000.00
Treasury bills	240,773	21,771,070,000.00		
Treasury (war) savings securities	41,018	51,304.75	1,610	17,460.00
Interest coupons	12,366,205	[2] 1,166,225,060.68		
Other securities:				
Home Owners' Loan Corporation:				
Bonds	46,389	27,517,225.00	425	349,175,000.00
Interest coupons	1,093,575	[3] 33,537,797.31		
Interest checks			5,284	1,452,146.25
Federal Farm Mortgage Corporation:				
Bonds	25,598	11,473,400.00	671	483,300.00
Interest coupons	900,655	[4] 25,357,021.15		
Interest checks			22,054	2,758,499.32
Consolidated Federal farm loans of the Federal land banks:				
Interest coupons	888,844	[4] 29,704,090.69		
Interest checks			12,860	1,113,691.95
Federal Housing Administration:				
Debentures			3,231	2,315,269.05
Interest checks			1,948	700,516.76
Federal home loan banks:				
Consolidated debentures	16,716	126,990,000.00		
Interest coupons	23,649	[4] 816,839.27		
Reconstruction Finance Corporation:				
Notes	18,182	323,608,000.00		
Interest coupons	136,342	[3] 10,789,089.54		
Commodity Credit Corporation:				
Notes	19,370	289,313,000.00		
Interest coupons	104,881	[4] 6,801,994.81		
Federal National Mortgage Association:				
Notes	5,841	29,677,000.00		
Interest coupons	23,674	1,498,108.22		
Federal Public Housing Authority:				
Notes	5	5,000.00		
Interest coupons	32,395	[5] 1,569,672.31		
Federal Savings and Loan Insurance Corporation bonds	56	11,880.00		
Total	16,249,507	47,884,436,333.73	1,433,302	5,196,795,849.03
	Retired on account of exchanges for other securities, etc.			
Public debt securities:				
Postal savings bonds, etc.	265	$89,840.00	5,877	$2,776,700.00
Liberty loans	901	68,150.00		
Treasury bonds	436,980	2,349,286,600.00	87,549	1,036,902,700.00
Treasury notes	107,468	2,422,734,400.00	17	381,553,000.00
Treasury notes—tax series and savings series			22,258	332,273,575.00
United States savings bonds			21,141	8,658,400.00
Depositary bonds			7	535,000.00
Adjusted service bonds			406	20,300.00
Certificates of indebtedness	77,072	3,602,823,000.00	1	100,000.00
Treasury bills	11,613	2,158,946,000.00		
First 3½% Liberty loan interim certificates	8	400.00		
Other securities:				
Insular possessions loans			200	372,000.00
Home Owners' Loan Corporation bonds	36,402	55,156,975.00	1,979	246,397,000.00
Federal Farm Mortgage Corporation bonds	25,236	23,510,000.00	4,966	90,978,000.00
Consolidated Federal farm loans of the Federal land banks, bonds	17,669	61,259,000.00	2,123	2,704,500.00
Federal Housing Administration debentures			383	1,320,050.00

Footnotes at end of table.

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Summary of securities received by the Washington Office of the Register of the Treasury on account of transactions, fiscal year 1943 — Continued

Security	Bearer		Registered	
	Pieces	Amount	Pieces	Amount
	Retired on account of exchanges for other securities, etc.—Continued			
Other securities—Continued.				
Federal home loan banks, consolidated debentures	4	$260,000.00		
Reconstruction Finance Corporation notes	4,135	115,696,375.00		
Commodity Credit Corporation notes	2,788	21,835,000.00		
Federal National Mortgage Association notes	167	850,000.00		
Federal Public Housing Authority notes	564	1,482,000.00		
Total	721,272	10,813,997,740.00	146,907	$2,104,681,225.00
	Unissued stock retired			
Public debt securities:				
Postal savings bonds, etc			11	$4,300.00
Treasury bonds	53,771	$714,412,400.00	898	9,054,250.00
Treasury notes	83,381	1,280,702,800.00	1	No value.
Treasury notes—tax series and savings series			29,619	143,220,450.00
United States savings bonds			1,147,725	101,074,275.00
Depositary bonds			2	No value.
Adjusted service bonds			1	50.00
Certificates of indebtedness	173,754	1,881,994,000.00		
Treasury bills	14,059	1,566,306,000.00		
Interest coupons	3,689,701	420,976,271.76		
Other securities:				
Home Owners' Loan Corporation:				
Bonds	248,065	147,650,550.00	2,126	349,384,000.00
Interest coupons	137,154	19,440,554.11		
Federal Farm Mortgage Corporation:				
Bonds			6	5,100.00
Interest coupons	169,597	9,087,331.27		
Consolidated Federal farm loans of the Federal land banks:				
Bonds			12	30,200.00
Interest coupons	131,392	5,653,476.82		
Federal Housing Administration debentures			26	26,200.00
Federal home loan banks:				
Consolidated debentures	6,546	65,314,000.00		
Interest coupons	4,211	317,140.00		
Reconstruction Finance Corporation:				
Notes	11,680	207,836,000.00		
Interest coupons	31,427	1,970,706.22		
Commodity Credit Corporation:				
Notes	46,168	687,693,000.00		
Interest coupons	26,191	1,899,777.32		
Federal National Mortgage Association:				
Notes	1,559	19,023,000.00		
Interest coupons	64,792	1,686,997.40		
Federal Public Housing Authority interest coupons	8,391	514,510.85		
Total	4,901,839	7,032,478,515.75	1,180,427	602,798,825.00
	Recapitulation			
Public debt securities:				
Postal savings bonds, etc	288	$90,440.00	5,996	$4,964,750.00
Liberty loans	7,081	1,612,500.00	1,050	530,400.00
Treasury bonds	528,023	3,404,243,550.00	91,674	1,048,780,050.00
Treasury notes	273,695	4,886,306,800.00	350	1,478,722,000.00
Treasury notes—tax series and savings series			909,281	4,081,158,325.00
United States savings bonds			1,547,014	189,165,940.70
Depositary bonds			15	600,000.00
Adjusted service bonds			145,290	7,264,500.00
Certificates of indebtedness	389,844	27,988,277,750.00	62	43,767,000.00
Treasury bills	266,445	25,496,322,000.00		
First 3½% Liberty loan interim certificates	8	400.00		
Treasury (war) savings securities	41,018	51,304.75	1,610	17,460.00
Interest coupons	16,055,906	1,587,201,332.44		

Footnotes at end of table.

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Summary of securities received by the Washington Office of the Register of the Treasury on account of transactions, fiscal year 1943—Continued

Security	Bearer		Registered	
	Pieces	Amount	Pieces	Amount
	Recapitulation—Continued			
Other securities:				
Insular possessions loans			200	$372,000.00
Home Owners' Loan Corporation:				
Bonds	330,856	$230,324,750.00	4,530	944,956,000.00
Interest coupons	1,230,729	52,978,351.42		
Interest checks			5,284	1,452,146.25
Federal Farm Mortgage Corporation:				
Bonds	50,834	34,983,400.00	5,643	91,466,400.00
Interest coupons	1,070,252	34,444,352.42		
Interest checks			22,054	2,758,499.32
Consolidated Federal farm loans of the Federal land banks:				
Bonds	17,669	61,259,000.00	2,135	2,824,700.00
Interest coupons	1,020,236	35,357,567.51		
Interest checks			12,860	1,113,691.95
Federal Housing Administration:				
Debentures			3,640	3,661,519.05
Interest checks			1,948	700,516.76
Federal home loan banks:				
Consolidated debentures	23,266	192,564,000.00		
Interest coupons	27,860	1,133,979.27		
Reconstruction Finance Corporation:				
Notes	33,997	647,140,375.00		
Interest coupons	167,769	12,759,795.76		
Commodity Credit Corporation:				
Notes	68,326	998,841,000.00		
Interest coupons	131,072	8,701,772.13		
Federal National Mortgage Association:				
Notes	7,567	49,550,000.00		
Interest coupons	88,466	3,185,105.62		
Federal Public Housing Authority:				
Notes	569	1,487,000.00		
Interest coupons	40,786	2,084,183.16		
Federal Savings and Loan Insurance Corporation bonds	56	11,880.00		
Total	21,872,618	65,730,912,589.48	2,760,636	7,904,275,899.03

NOTE.—Redeemed bonds and notes, except United States savings bonds, are audited through March 1943 settlement. Receipts for April, May, and June, 1943, settlements are incomplete.

[1] Contains 372,098 pieces, $75,310,973.20, belonging to January through June 1942 settlements processed in this office during fiscal year 1943.
[2] Audited through February 1943 settlement.
[3] Audited through March 1943 settlement.
[4] Audited through April 1943 settlement.
[5] Audited through May 1943 settlement.

Chicago Branch of the Register of the Treasury

In March 1943, the numerical registers were transferred from the Chicago Branch of the Division of Loans and Currency and the maintenance of these records became a part of the functions of the Office of the Register. A revision was made in the operating procedure simultaneously with the transfer of the registers. Under the revised procedure the bonds retired by Federal Reserve Banks and their branches are received directly from the Chicago Branch of the Office of the Treasurer. After audit, bonds are assembled in large lots (many over 200,000 bonds each), the lots sorted in serial number order and in that sequence are stored in the vaults.

Approximately 18,000,000 bonds with a maturity value of $988,000,000 were received and audited during the year. Of these, 11,000,000 bonds were filed in permanent storage and the remainder were in the process of being interfiled and recorded in the numerical registers on June 30, 1943.

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The following table indicates the number and value of United States savings bonds processed by the Chicago Branch of the Register of the Treasury during 1943.

	Audit completed		Audit in process	
	Pieces	Amount	Pieces	Amount
Redeemed:		*Redemption value*		*Redemption value*
Fiscal year 1942	743, 506	$44, 233, 772. 94		
Fiscal year 1943	12, 118, 110	442, 903, 727. 05	8, 595, 094	$247, 628, 091. 46
Total	12, 861, 616	487, 137, 499. 99	8, 595, 094	247, 628, 091. 46
Retired on account of exchange:		*Maturity value*		*Maturity value*
By the Division of Loans and Currency	182, 614	$74, 714, 825. 00	10, 751	$4, 487, 075. 00
By Federal Reserve Banks and branches	165, 288	16, 847, 725. 00	602, 408	84, 243, 250. 00
Total	347, 902	91, 562, 550. 00	613, 159	88, 730, 325. 00
Unissued stock	5, 226, 610	409, 226, 275. 00	1, 878, 234	150, 857, 300. 00
Grand total	18, 436, 128	987, 926, 324. 99	11, 086, 487	487, 215, 716. 46

A new unit was established in the Chicago Branch to audit the redeemed war savings stamps. Previously all shipments of stamps were processed by the General Accounting Office. This unit now receives canceled stamps from Federal Reserve Banks and approximately 1,500 first class post offices. The stamps are counted under the joint supervision of this office and representatives of the Office of the Treasurer of the United States. The result of the count of each shipment is forwarded to the Office of the Treasurer where proper credit is allowed in the accounts of the postmasters or the Federal Reserve Banks.

The following table indicates the number of albums and the redemption value of United States savings stamps received and audited in the Chicago Branch of the Office of the Register of the Treasury during the fiscal year 1943.

	Number	Amount
Albums received from—		
Post offices	27, 585, 822	$383, 649, 485. 45
Federal Reserve Banks	744, 552	11, 909, 181. 05
Total	28, 330, 374	395, 558, 666. 50
Unissued stamps	833, 110	195, 579. 80

[1] Includes 26 pieces in amount of $437.15, in process of audit.

Division of Public Debt Accounts and Audit

This Division maintains administrative control accounts for all security transactions in the public debt conducted by the various Treasury offices, by the Federal Reserve Banks and branches as fiscal agents of the United States, and by the post offices, and War and Navy Departments as issuing agents for war savings bonds; and for transactions involving distinctive and nondistinctive paper used in printing public debt and other securities, currency, stamps, etc., in the Bureau of Engraving and Printing; conducts administrative examinations and audits of transactions so conducted and the securities

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involved; maintains control accounts for various classes of unissued currency in reserve, and conducts administrative examinations and physical audits of such unissued stocks and cash balances in custody and of collateral securities held in trust in the Office of the Treasurer of the United States. Included in the administrative control accounts are transactions in securities of various Government corporations and agencies.

Washington Office of the Division of Public Debt Accounts and Audit

The control accounts of transactions in the public debt maintained by the Washington Office with other branches of the Bureau of the Public Debt, with the Office of the Treasurer of the United States and various other branches of the Government, and with the Federal Reserve Banks as fiscal agents of the United States, greatly increased during the past year in consequence of the war financing and the more extended participation of branches of Federal Reserve Banks in such transactions.

In addition to maintaining the administrative debt accounts, the Washington Office conducted 130 audits involving physical counts of securities, currency, distinctive and nondistinctive paper, interest checks, etc., amounting to about $844,000,000 in face value and 100,948,000 in number of pieces; an examination and audit of 3,173 individual accounts of holders of registered bonds; and an audit of the numerical registers involving an examinination of 37,507,000 spaces representing bonds retired or outstanding. Other special audits under instructions of the Secretary of the Treasury were also conducted.

The Division determined and certified credits to the cumulative sinking fund and amounts in the sinking fund available for expenditure from time to time, interest on all classes of public debt securities and securities of various Government corporations and credit agencies which became due and payable on their respective interest-payment dates, and the amount of each form of such securities and unpaid interest outstanding each month. It prepared estimates of interest to become payable on public debt securities in future fiscal years, and of expenditures to be made on account of retirements for the sinking fund and other special accounts, and prepared statements showing the accountability of Federal Reserve Banks for public debt and other securities for the use of Federal Reserve Board examiners in their periodical examinations of those banks. Numerous data pertaining to public debt and other transactions for various interested offices and individuals were also compiled.

Chicago Branch of the Division of Public Debt Accounts and Audit

The Chicago Branch maintained control accounts with the Treasurer of the United States, Disbursing Office of the Treasury, Federal Reserve Banks and branches, Post Office Department, Library of Congress, Navy Department, and War Department in connection with the audit of original registration stubs which were received in support of issue and reissue transactions conducted by those agencies. The receipts of original stubs representing the sale of savings bonds

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steadily increased from 12,098,000 pieces in July 1942 to 24,143,896 pieces in June 1943; and the receipts of retired bonds on authorized transactions such as "spoiled in process of issue", "reissue", and "denominational exchange" increased from 497,247 in July 1942 to 861,973 in June 1943. This increase developed a proportionate increase in discrepancies to be reconciled, necessitating increased research and correspondence.

During the year 40 audits were conducted involving physical counts of 214,432,044 original savings bond stubs representing a maturity value of $14,776,993,525; 8,424,473 savings bonds retired for credit under several transactions; 24,174 unclaimed Series G interest checks amounting to $991,110.53; 2,174,001 valid checks; 29,325 void checks; and 1,456 bonds in process of retirement in the Claims Unit of the Chicago Branch of the Division of Loans and Currency.

Control accounts were also maintained on all checks received, issued, and voided in connection with monthly dividends paid on Series G savings bonds and the outstanding principal and interest payable on such dividends were certified monthly to the Office of the Treasurer from control records reflecting all changes in the individual accounts of registered holders of Series G bonds within an interest period.

There was also maintained an internal audit control of all securities delivered to, and retired by, units under the Division of Loans and Currency by means of which the balance of unprocessed securities on hand in that Division was available. During the year physical bond audits were made in two sections under the Division of Loans and Currency and, as a result, some changes in operating procedures were effected and reports were submitted recommending changes to further safeguard the movement of securities.

Late in the year the Navy Department and the War Department both established Chicago offices for the issuance of bonds to their civilian and military personnel and the direct reporting of war bond sales. Joint audits were conducted by representatives of this Division in conjunction with both Departments with the result that monthly reports of sales by those Departments were being reconciled much more rapidly than theretofore.

Division of Savings Bonds (Chicago)

The Division of Savings Bonds is responsible for the distribution of advertising material for the promotion and sale of war savings bonds and stamps. The Division conducted correspondence with owners and prospective purchasers of war bonds and sent memorandum statements, at regular intervals, to approximately 81,000 participants in the Regular Purchase Plan. In May 1943 the files and records of bond purchasers under the Navy salary allotment plan were moved from this Division to a branch of the Navy Department in Cleveland, Ohio. Arrangements were made also for the transfer, to Washington, D. C., of similar files of bond purchasers in the Coast Guard.

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Division of Paper Custody (Washington)

This Division receives from the contractors all distinctive paper used in printing public debt obligations and paper currency of the United States and issues such paper to the Bureau of Engraving and Printing against orders to print; it also maintains records of receipts and issues of Federal Reserve notes stored in the Federal Reserve vault. In connection with the manufacture of paper, a small field force is maintained at the mill of the contractors.

The following tables summarize the operations of the Division during the year.

Receipts and issues of distinctive and nondistinctive paper, fiscal year 1943

[In sheets]

Kind	On hand July 1, 1942	Received	Issued	On hand June 30, 1943
DISTINCTIVE				
United States currency and Federal Reserve notes	13,180,703	164,024,100	154,311,527	22,893,276
United States bonds	7,679,891	84,581,713	87,601,117	4,660,487
Cuban currency	1,090,238		60,600	1,029,638
Philippine currency	184,093			184,093
Total	22,134,925	248,605,813	241,973,244	28,767,494
NONDISTINCTIVE				
Parchment, artificial parchment, and parchment deed	392,335	724,105	373,278	743,162
Philippine Islands postal card	49,605			49,605
Miscellaneous	2,003,561	2,464,104	2,199,218	2,268,447
Total	2,445,501	3,188,209	2,572,496	3,061,214

Receipts and issues of Federal Reserve notes and Federal Reserve Bank notes, fiscal year 1943

[In thousands of dollars]

	On hand July 1, 1942	Received	Issued	On hand June 30, 1943
Federal Reserve notes:				
Series 1928	2,813,100		1,000	2,812,100
Series 1934	2,188,700	7,206,240	5,879,300	3,515,640
Federal Reserve Bank notes, Series 1929	450,800		450,800	

During the year 252,589,493 sheets of paper were counted prior to issue to the Bureau of Engraving and Printing for authorized work.

Destruction Committee

The following table summarizes the securities (including redeemed canceled currency) and miscellaneous items received from the various offices and destroyed by the Destruction Committee during the year.

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Number and face amount of securities and miscellaneous items destroyed by the Destruction Committee, fiscal year 1943

Office making delivery, and items	Number of pieces	Face value
Division of Loans and Currency and Treasurer of the United States:		
United States notes	29,099,280	$112,441,205.00
Silver certificates	608,651,242	868,215,392.00
Gold certificates	100,104	2,343,590.00
Treasury notes	284	1,800.00
Fractional currency	2,079	431.06
Total	637,852,989	983,002,418.06
Comptroller of the Currency, national banks, and Federal Reserve Bank agents:		
National bank notes	509,336	6,979,390.00
Federal Reserve Bank notes	949,530	9,452,732.00
Federal Reserve notes	100,639,180	1,073,342,065.00
Total	102,098,046	1,089,774,187.00
Register of the Treasury:		
Principal pieces	8,160,277	13,635,087,309.86
Coupons	28,270,413	763,397,017.83
Total	36,430,690	14,398,484,327.69
Bureau of Internal Revenue, miscellaneous stamps		1,488,537,295.60
Grand total	776,381,725	17,959,798,228.35
Bureau of Engraving and Printing, registered proof sheets	27,159	
Division of Loans and Currency:		
For Bureau of Engraving and Printing—mutilated work (sheets)	60,500,159	
For Division of Paper Custody (sheets)	55,507	
Void coupons	33,323,678	
Nondistinctive coupons	16,266	
Checks	195,170	
Division of Printing, checks	345,000	
Foreign Funds: Forms T. F. E. L. 2	2,556	
Total	94,465,495	

TREASURER OF THE UNITED STATES

Public moneys are received and disbursed through the accounts of the Treasurer of the United States. Depositary accounts are carried with several hundred designated Government depositaries. Checking accounts with disbursing officers of the Government are maintained on the books of the Treasurer. Funds appropriated by Congress for the use of the various departments and establishments of the Government are advanced to disbursing officers as required through credits to their accounts with the Treasurer, and disbursements are made by checks drawn by disbursing officers against such accounts. The Treasurer is the official custodian of the public money; he is also fiscal agent for the payment of the principal of and interest on the public debt, for the issue and redemption of United States paper currency, for the redemption of Federal Reserve notes, Federal Reserve Bank notes, and national bank notes, and is treasurer of the Board of Trustees of the Postal Savings System and trustee and custodian of miscellaneous securities and trust funds. He acts as special agent for the payment of the principal of and interest on

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Federal Reserve Bank of St. Louis

bonds and other obligations of the insular governments and of Government corporations and agencies.

Owing to the war and its attendant activities, there has been a great increase in the number of checks drawn on the Treasurer of the United States. As a result the Office of the Treasurer has been faced with a tremendous task in paying all these checks in Washington. In order to help solve both the manpower and space problems in Washington, the Treasury Department has undertaken to decentralize the payment of certain classes of checks by arranging with the Federal Reserve Banks to act as fiscal agents for the Treasurer in paying such checks. To accomplish this operation rapidly and economically, tabulating card checks have been substituted for paper checks in the case of certain large expenditure programs of the War and Navy Departments. Also the regular disbursements of the Chicago regional office of the Division of Disbursement, Treasury Department, were converted from paper checks to tabulating card checks. During the fiscal year 1944, it is planned to have the partial use of tabulating card checks extended to other regional offices of the Division of Disbursement.

A summary of the receipts and expenditures of the Government for the fiscal years 1942 and 1943, exclusive of postal revenues and expenditures payable therefrom, is shown in the following table. The details of the receipts and expenditures will be found on pages 462, 472, and 478.

Summary of receipts and expenditures, fiscal years 1942 and 1943

[On basis of daily Treasury statements, see p. 459]

	1942	1943	Increase or decrease (−)
General and special accounts:			
Net receipts	$12,799,061,621.02	$22,281,642,709.24	$9,482,581,088.22
Expenditures, excluding statutory debt retirements (sinking fund, etc.)	32,396,585,097.69	78,178,885,240.87	45,782,300,143.18
Excess of expenditures, excluding statutory debt retirements	19,597,523,476.67	55,897,242,531.63	36,299,719,054.96
Trust accounts, increment on gold, etc.:			
Receipts	3,190,884,099.71	3,926,252,842.21	735,368,742.50
Expenditures:			
Trust account, etc	3,071,664,795.54	3,593,551,348.14	521,886,552.60
Transactions in checking accounts of Government agencies, etc. (net)	3,624,724,254.35	2,193,685,465.83	−1,431,038,788.52
Total expenditures	6,696,389,049.89	5,787,236,813.97	−909,152,235.92
Excess of expenditures	3,505,504,950.18	1,860,983,971.76	−1,644,520,978.42

The total public debt obligations outstanding on June 30, 1942, were $72,422,445,116.22 and the receipts and retirements during the fiscal year 1943 were $122,631,888,023.93 and $58,358,242,810.25, respectively, making $136,696,090,329.90 of obligations outstanding on June 30, 1943, an increase for the year of $64,273,645,213.68.

The statutory debt retirements during the year, included in the total retirements shown above, amounted to $3,463,400, of which $3,459,850 covered retirements for the cumulative sinking fund and $3,550 covered retirements of securities received as gifts and from miscellaneous sources.

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The amount of interest paid on the public debt during the year is classified as follows:

Class of interest payment	Amount
Interest coupons paid	$1,163,775,591.81
Registered interest checks paid	322,887,248.38
Accrued interest paid in cash on obligations at redemption	68,580,098.16
Discount on Treasury bills sold	29,717,695.40
Discount accrued on United States savings bonds	128,145,412.15
Interest paid on obligations, special series (transfer-counter warrant transactions)	128,658,326.24
Total paid	1,841,764,372.14
Less repayments	33,603,976.63
Net payments	1,808,160,395.51

The number of pieces of public debt principal obligations examined, verified, and redeemed during the year was 56,433,991 as compared with 2,550,245 pieces for the previous year. Checks in payment of interest on the registered obligations of the United States verified and paid totaled 2,472,962 pieces, and the matured interest coupons of Government obligations examined, verified, and paid totaled 12,366,375 pieces.

The gold holdings of the Treasury as of June 30, 1943, were 639,641,593 ounces amounting to $22,387,455,751.05, valued at $35 an ounce, a decrease of 9,972,783 ounces and $349,047,409.64 from the previous year. The details of these holdings are shown in the table on page 666 of this report. The decrease in gold holdings was due for the most part to a net reduction of $349,637,893.25 in holdings by mints and assay offices on account of transfers to foreign account for earmark, exports, etc. (valued at $35 an ounce); receipts of gold (paid for at $20.67+ an ounce) under the order of December 28, 1933, of the Secretary of the Treasury amounted to $348,753.67, and the increment resulting from the reduction in the weight of the gold dollar amounted to $241,729.94.

Paper currency of each class issued and redeemed during the year and the amounts outstanding, including Treasury and Federal Reserve Bank holdings on June 30, 1942, and June 30, 1943, were as follows:

Class	Outstanding June 30, 1942	Issued	Redeemed	Outstanding June 30, 1943	
				In Treasury	Outside Treasury
Gold certificates	$2,875,586,129		$2,363,950	$611,000	$2,872,611,179
Silver certificates	1,980,858,228	$941,844,000	957,547,400	48,619,126	1,916,535,702
United States notes	346,681,016	126,016,000	126,016,000	2,721,870	343,959,146
Treasury notes of 1890	1,159,148		3,100	1,226	1,154,822
Federal Reserve notes	9,790,726,865	5,854,625,000	1,241,177,765	66,526,165	14,337,647,935
Federal Reserve Bank notes	18,975,964	623,777,500	9,782,232	1,099,163	631,872,069
National bank notes	140,337,042		6,979,390	634,021	132,723,631
Total	15,154,324,392	7,546,262,500	2,343,869,837	120,212,571	20,236,504,484

United States paper currency shipped during the year from the Treasury in Washington to Treasury offices, Federal Reserve Banks and branches, and others amounted to $1,124,885,780, a decrease of $486,885,790 from the previous year. The Treasurer's Office directed shipments of current silver and minor coins between the United States

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Treasury, the United States mints, and the Federal Reserve Banks and branches for use in public disbursements, etc., as follows:

Kind	Shipments from Treasury to Federal Reserve Banks and branches	Shipments from mints to Treasury and Federal Reserve Banks and branches	Shipments between Federal Reserve Banks and branches
Silver:			
Standard dollars		$17,296,400	$100,000
Half dollars	$130,000	37,025,700	25,000
Quarter dollars		37,253,300	1,260,000
Dimes		33,967,500	220,000
Minor:			
5-cent coins	388,450	13,350,250	670,000
Cents		9,421,560	218,000
Total	518,450	148,314,710	2,493,000

Shipments and transfers of gold coin and bullion and of uncurrent silver and minor coins to the mints from the Treasury and the Federal Reserve Banks and branches were authorized in the amounts of $542,945.33 and $2,824,871.68, respectively.

The proceeds of currency received into the Treasurer's cash by the Currency Redemption Division during the year amounted to $425,049,427.16, of which $307,754,587.50 was in Federal Reserve notes, $10,729,362.50 in Federal Reserve Bank notes, $7,230,933.50 in national bank notes, and $99,334,544.66 in United States currency.

Canceled Federal Reserve notes amounting to $1,021,204,100 were received from Federal Reserve Banks and branches for credit of Federal Reserve agents. These notes are not taken into the Treasurer's cash because settlement therefor is made between the Federal Reserve Banks and the Federal Reserve agents.

Public moneys on deposit in designated Government depositaries on June 30, 1943, to the credit of the Treasurer and to the credit of other Government officers amounted to $8,985,133,746.55 and $196,928,301.22, respectively, including items in transit. The table on page 666 shows the amounts in the various depositaries on June 30 of the last 2 years.

Principal obligations of Government corporations and agencies and insular governments redeemed by the Treasurer during the year amounted to $785,317,274.05; checks issued by the Treasurer in payment of interest on such registered obligations paid during the year amounted to $6,630,981.00; interest coupons on such obligations paid amounted to $111,024,553.86; and interest paid in cash when such obligations were redeemed amounted to $141,017.55.

Funds were advanced to United States disbursing officers by accountable warrants issued in an aggregate amount of $93,901,766,825.63. Treasurer's checks aggregating $171,650,904.72 were issued on settlement warrants in payment of claims settled by the Comptroller General.

Checks drawn on the Treasurer of the United States by Government disbursing officers and agencies were paid during the year to the estimated number of 201,676,720, of which 7,505,452 for servicemen's dependents and allotments and 7,784,807 for emergency relief disbursements were paid for the Treasurer by Federal Reserve

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Federal Reserve Bank of St. Louis

Banks acting as his agents. The total number of checks paid during the previous year was 131,600,000, including 28,300,000 checks for emergency relief disbursements paid through the Federal Reserve Banks. Thus, the number of all checks increased during the year by 53 percent while the number of emergency relief payments at Federal Reserve Banks decreased by 72 percent.

Balances to the credit of disbursing officers and Government agencies in 7,545 accounts on June 30, 1943, amounted to $18,967,486,717, an increase of $8,880,204,135 as compared with the total of such balances in 5,725 accounts on June 30, 1942.

Payments to correct irregularities in negotiation of checks were made in 1943 to the number of 4,906 amounting to $281,072.69, while in the previous year the number was 5,734 for $207,636.54.

Duplicate checks to the number of 27,578, were requested by payees or endorsees during 1943 as compared with 18,245 during the previous year, the original check in each case having been lost, stolen, wholly or partly destroyed, or so mutilated or defaced as to impair its value to its owner or holder.

Drafts in 32 different kinds of foreign currencies, aggregating 4,734 in number, were purchased by the Treasurer for various agencies of the Government at a cost of $6,494,494.69. Payments were made to Government officers located in foreign countries by means of 242 cable transfers aggregating $475,975,327.01.

Commercial checks, drafts, and postal express money orders, aggregating 2,442,438 items and amounting to $827,082,540.51 were deposited by Government officers with the Treasurer of the United States for collection.

The Treasurer is custodian of securities pledged for the safekeeping and prompt payment of Government deposits in bank depositaries, of postal savings funds in depositaries designated to receive such funds, and, under provisions of law or by direction of the Secretary of the Treasury, of various trust funds comprised of bonds and other obligations and of securities placed in safekeeping by various Government executive departments and bureaus. The face value of such securities held on June 30, 1942, and June 30, 1943, classified according to the purpose for which held, is shown in the following table:

Purpose for which held	June 30, 1942	June 30, 1943
To secure deposits of public moneys in depositary banks	$107,106,050	$252,466,000
To secure deposits of postal savings funds	24,061,750	14,092,000
For District of Columbia:		
Teachers' retirement fund	9,615,250	10,264,250
Water fund	1,773,000	1,773,000
Other	398,620	398,570
United States savings bonds held for various depositors	15,561,800	35,731,600
For the Board of Trustees, Postal Savings System	1,134,004,640	1,357,942,760
For the Secretary of War	10,370,330	12,420,330
For the Secretary of the Treasury:		
Foreign obligations	12,072,484,757	12,072,484,757
Obligations on account of sales of surplus property	46,737,095	46,737,095
Capital stock and obligations of Government corporations and agencies	4,733,763,451	8,589,598,352
Other	2,499,288	4,894,269
For Federal Deposit Insurance Corporation	213,746,350	316,738,400
For Federal Savings and Loan Insurance Corporation	98,034,500	34,500
For Federal Farm Mortgage Corporation	689,116,820	115,000,000
For Alien Property investment account	20,856,447	20,861,207
Miscellaneous	122,484,907	129,367,382
Total	19,302,615,055	22,980,804,472

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BUDGET AND IMPROVEMENT COMMITTEE

The Budget and Improvement Committee is responsible, under the direction of the Budget Officer, for the preparation and review of estimates submitted by Treasury bureaus and divisions for annual or deficiency appropriations. It is also responsible, under the direction of the Budget Officer, for the investigation of administrative methods and procedure in their relation to appropriation estimates and for other investigations upon assignment by the Administrative Assistant to the Secretary. To facilitate the investigations, a Subcommittee on Investigations is assigned the responsibility for determining, through the inspection of field as well as departmental activities, the justification for proposed increases in appropriations and makes other surveys upon assignment.

The review of appropriation estimates includes a thorough examination of the items by the individual committee members to whom respective bureaus or divisions are assigned. The entire committee then conducts formal hearings at which the bureau or division heads, or their representatives, present oral testimony in further support of the estimates. The committee, after deliberation, submits its recommendations to the Budget Officer for his guidance in determining the items which should be approved for transmittal to the Bureau of the Budget.

In addition to the regular estimates of appropriations for the fiscal year 1944, supplemental and deficiency estimates aggregating $94,837,219 were received during the fiscal year.

Reserves amounting to $15,389,973 were set aside from the ordinary appropriations for the fiscal year 1943 by the bureaus and offices of the Department. During the year, reserves amounting to $308,850 were released by the Director of the Bureau of the Budget after approval of the committee, leaving a reserve of $15,081,123 at the end of the year. Of the appropriations made to the Treasury Department for the fiscal year 1944, $9,725,170 has been set aside as reserves for savings and contingencies.

For the fiscal year 1945, estimates aggregating $10,897,039,084 were approved by the Departmental Budget Officer and submitted to the Director of the Bureau of the Budget. Such estimates included $227,339,400 for annual appropriations; $1,911,236,513 for permanent and indefinite appropriations and special funds; $4,418,723,691 for trust funds; $3,750,000,000 for interest on the public debt; and $589,739,480 for public debt retirements chargeable against ordinary receipts.

BUREAU OF THE COMPTROLLER OF THE CURRENCY[1]

The Bureau of the Comptroller of the Currency is responsible for the execution of all laws relating to the supervision of national banking associations and all banks and building and loan associations in the District of Columbia. The Bureau is also responsible for the liquidation of suspended national banks placed in charge of receivers. Under the Emergency Banking Act of March 9, 1933, approval of the Comptroller of the Currency is required for the issuance and retirement of preferred stock of national banking associations. Other duties include those incident to the formation and chartering of new national banking associations, the establishment of branch banks, the consolidation of banks, and the conversion of State banks into national banks.

[1] More detailed information concerning the Bureau of the Comptroller of the Currency is contained in the annual report of the Comptroller.

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Changes in the condition of active national banks

The total assets of the 5,066 active national banks on June 30, 1943, amounted to $58,972 millions, an increase of $14,253 millions since June 30, 1942, when 5,107 banks reported. The deposits of the active banks in 1943, excluding reciprocal interbank demand balances, totaled $54,769 millions, which was $14,110 millions more than in 1942. The loans and investments totaled $42,919 millions, representing an increase of $13,374 millions during the year. Capital funds of $3,825 millions were $146 millions more than in the preceding year.

The assets and liabilities of active national banks on the date of each report from June 30, 1942, to June 30, 1943, are shown in the following statement.

Abstract of reports of condition of active national banks on the date of each report from June 30, 1942, to June 30, 1943

[In thousands of dollars]

	June 30, 1942 (5,107 banks)	Dec. 31, 1942 (5,087 banks)	June 30, 1943 (5,066 banks)
ASSETS			
Loans and discounts, including overdrafts	10,901,795	10,200,798	9,190,143
U. S. Government securities, direct obligations	13,299,723	22,261,410	28,514,634
Obligations guaranteed by U. S. Government	1,629,269	1,563,941	1,675,768
Obligations of States and political subdivisions	1,960,534	2,022,493	2,026,333
Other bonds, notes, and debentures	1,558,910	1,441,184	1,340,099
Corporate stocks, including stock of Federal Reserve Banks	194,952	193,760	171,744
Total loans and investments	*29,545,183*	*37,683,586*	*42,918,721*
Cash, balances with other banks, including reserve balances, and cash items in process of collection [1]	14,316,563	16,250,270	15,227,391
Bank premises owned, furniture and fixtures	588,690	580,476	566,697
Real estate owned other than bank premises	72,494	61,060	47,530
Investments and other assets indirectly representing bank premises or other real estate	52,526	51,340	49,285
Customers' liability on acceptances outstanding	32,316	23,294	30,509
Interest, commissions, rent, and other income earned or accrued but not collected	63,594	74,926	86,079
Other assets	47,599	56,026	46,140
Total assets	44,718,965	54,780,978	58,972,352
LIABILITIES			
Demand deposits of individuals, partnerships, and corporations	21,945,397	26,730,691	30,518,146
Time deposits of individuals, partnerships, and corporations	7,841,032	8,307,519	8,971,178
Deposits of U. S. Government and postal savings	1,189,410	4,842,182	4,589,354
Deposits of States and political subdivisions	2,741,720	2,695,194	2,900,361
Deposits of banks [1]	6,498,697	7,401,534	7,156,360
Other deposits (certified and cashiers' checks, etc.)	442,861	671,696	633,962
Total deposits [1]	40,659,117	50,648,816	54,769,361
Demand deposits [1]	*32,367,109*	*41,970,784*	*45,429,851*
Time deposits	*8,292,008*	*8,678,032*	*9,339,510*
Bills payable, rediscounts, and other liabilities for borrowed money	2,014	3,516	4,231
Mortgages or other liens on bank premises and other real estate	76	69	67
Acceptances executed by or for account of reporting banks and outstanding	37,232	26,008	34,390
Interest, discount, rent, and other income collected but not earned	42,042	30,118	25,622
Interest, taxes, and other expenses accrued and unpaid	73,567	75,197	98,816
Other liabilities	225,425	258,899	214,460
Total liabilities	41,039,473	51,042,623	55,146,947
CAPITAL ACCOUNTS			
Capital stock	1,507,670	1,503,682	1,498,008
Surplus	1,411,407	1,438,645	1,474,673
Undivided profits	515,949	540,524	584,169
Reserves and retirement account for preferred stock	244,466	255,504	268,555
Total capital accounts	3,679,492	3,738,355	3,825,405
Total liabilities and capital accounts	44,718,965	54,780,978	58,972,352

[1] Excludes reciprocal interbank demand balances with banks in the United States.

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Summary of changes in the National Banking System

The authorized capital stock of the 5,067 national banks in existence on June 30, 1943 (including one bank that had discontinued business although not in formal liquidation), consisted of common capital stock aggregating $1,361 millions, an increase of $4 millions, and preferred capital stock aggregating $138 millions, a decrease during the year of $14 millions. The total net decrease of capital stock was $10 millions. During the year charters were issued to 9 national banking associations which had common capital stock aggregating over one million dollars. There was a net decrease of 42 in the number of national banks in the system during the year by reason of voluntary liquidations, one receivership, and one consolidation under the act of November 7, 1918, as amended.

Changes in the number and capital stock of national banks during the fiscal year 1943 are shown in the following summary.

Organization, capital stock changes, and liquidations of national banks, fiscal year 1943

	Number of banks	Capital stock	
		Common	Preferred
Charters granted	9	$1,160,000	$75,000
Increase of preferred capital stock:			
6 banks, by issues of new preferred capital stock			610,000
Increase of common capital stock:			
34 banks, by regular increases		1,764,150	
459 banks, by common capital stock dividends		6,003,876	
5 banks, by conversion of preferred capital stock		44,950	
1 bank, by consolidation (act Nov. 7, 1918, as amended)		75,000	
Total increases	9	9,047,976	685,000
Voluntary liquidations	49	4,027,975	998,800
Receiverships	1	25,000	25,000
Decreases of capital stock:			
12 banks, by reduction of common capital stock		810,000	
669 banks, by retirement of preferred capital stock			13,329,619
2 banks, by decrease of par value of preferred capital stock			800,000
Closed under consolidation (act Nov. 7, 1918, as amended), and capital stock decrease incident thereto	1	42,000	
Total decreases	51	4,904,975	15,153,419
Net changes during the year	−42	+4,143,001	−14,468,419
Charters in force June 30, 1942	5,109	1,356,513,915	152,887,267
Charters in force June 30, 1943	[1] 5,067	1,360,656,916	138,418,848

[1] This figure differs from that shown in the table on p. 219. Banks that have discontinued business although not in formal liquidation do not submit reports of condition but are included in this table.

BUREAU OF CUSTOMS

Collections

For the second successive year customs collections declined, but while the revenue received in 1942 was only slightly less than in 1941, collections in 1943 receded to $328,123,797, a decline of 15.9 percent from 1942. The gradual downward trend which prevailed throughout the fiscal year 1942 was greatly accelerated during the first 3 months of the fiscal year 1943, and in September 1942 duties and miscellaneous customs collections aggregated only $20,579,556, the smallest amount collected during any single month in more than 7 years; in fact,

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not since July 1935 had collections for any month fallen below 22 million dollars. During the 5 months beginning with October 1942, collections averaged $25,001,862 and exhibited a perceptible trend upward. Collections increased sharply in March, and went slightly above the March level during the subsequent months, averaging $34,104,856 for the last 4 months of the year. The types of collections during each of the past 2 years are shown in the following table.

Customs collections [1] *and refunds, fiscal years 1942 and 1943*

[On basis of accounts of Bureau of Customs]

Type	1942	1943	Percentage increase or decrease (−)
Collections:			
Duties:			
Consumption entries	$195,296,996	$167,310,457	−14.3
Warehouse withdrawals	186,298,749	149,417,688	−19.8
Mail entries	889,800	571,506	−35.8
Baggage entries	252,672	229,662	−9.1
Informal entries [2]	655,448	903,406	37.8
Appraisement entries	118,237	95,336	−19.4
Increased and additional duties	5,084,673	6,938,492	36.5
Other duties	204,258	491,365	140.6
Total duties	388,800,833	325,957,912	−16.2
Miscellaneous:			
Fines and forfeitures	524,602	499,909	−4.7
Liquidated damages	110,567	99,967	−9.6
Sale of seizures	13,235	20,987	58.6
Sale of Government property, unclaimed and abandoned merchandise	128,986	125,370	−2.8
Tonnage tax and navigation fees	370,759	1,316,685	255.1
All other customs receipts	110,127	102,967	−6.5
Total miscellaneous	1,258,276	2,165,885	72.1
Total customs collections	390,059,109	328,123,797	15.9
Refunds:			
Excessive duties	4,900,037	3,957,401	−19.2
Drawback payments	16,295,119	10,344,298	−36.5
Other	44,460	19,318	−56.6
	21,239,616	14,321,017	−32.6

[1] Excludes customs duties of Puerto Rico, which are deposited to the credit of the Government of Puerto Rico, but includes fines and other minor collections of Puerto Rico.
[2] Entries of less than $100 in value.

Except for increased and additional duties, duties on informal entries, and several of the minor types of duties combined as "other duties", each of the types of entries yielded less revenue than in 1942. A part of the decline was due to the importation free of duty after May 30, 1942, of war materials purchased abroad by the War Department, Treasury Department, Department of Agriculture, and the Reconstruction Finance Corporation, to which agencies were accorded, by Executive Order No. 9177, the same privileges of free entry as had previously been exercised only by the Navy Department. During all of the fiscal year 1943, therefore, purchases of war material by these Government agencies were admitted without assessment of duty whereas during 11 months of the previous year they were dutiable. The decline in customs collections, therefore, cannot be interpreted as the result of a decline in imports.

By far the most important source of revenue in 1943 was unmanufactured wool which yielded 8 percent more revenue than during the previous year and accounted for one-third of the total duties collected

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in 1943. Wool, liquors, and tobacco were the only schedules of the Tariff Act to show an increase in revenue in 1943.

Volume of business

In order to present statistics of the volume of customs business which are analogous to collections, the data which follow are limited to the area in which all collections are turned into the Treasury of the United States. Since all customs receipts in the Virgin Islands and all except fines and other minor collections in Puerto Rico are deposited to the credit of those respective governments, none of the data for the former district and none except those on seizures for the latter district are included below.

Entries of merchandise.—The downward trend in the number of entries of merchandise which began in 1939 continued during the present year. Under war conditions an increase in the quantity and value of the goods included in each individual entry by governmental or commercial importers has been concomitant with a decline in the number of such entries. Consequently there were fewer of each of the important types of entries than in the previous year. Informal entries and mail entries were the only types which increased numerically. Three of the districts along the Mexican border showed an increase of 32 percent in the number of informal entries, while in most of the Canadian border districts and in several widely scattered districts throughout the remainder of the country increases of smaller magnitude took place. The increase in the number of mail entries was not confined to any particular region. The Georgia district had more than six times as many mail entries as in 1942, while in the districts of Maryland, Pittsburgh, Galveston, San Diego, Wisconsin, and Indiana the number of mail entries more than doubled. Packages sent to all parts of this country by members of the over-seas forces caused an increase in mail entries in more than half of the customs districts although a smaller number of mail entries than in the previous year was recorded at New York and several other districts which were formerly much more important channels for importations by mail. Duties on mail entries declined sharply since practically all packages from the over-seas forces were admitted duty free. The number of entries of merchandise during the past two years is shown in the following table.

Number of entries of merchandise, fiscal years 1942 and 1943

Type	1942	1943	Percentage increase or decrease (−)
Consumption entries	365,216	315,632	−13.6
Warehouse and rewarehouse entries	51,059	30,816	−39.6
Warehouse withdrawals	249,995	163,163	−34.7
Mail entries	258,482	300,728	16.3
Baggage entries	391,161	370,322	−5.3
Informal entries	202,600	227,499	12.3
Appraisement entries	9,925	8,626	−13.1
All other	603,101	505,124	−16.2
Total	2,131,539	1,921,910	−9.8

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Vessel, airplane, and highway traffic.—Contrary to the trend of duty collections and entries of merchandise, border traffic increased for the second successive year, declines in automobile and ferry traffic being more than offset by the greater use of other transportation media. The most important traffic trend appeared in the increased use of passenger trains by those wishing to cross the border. In the Michigan and Montana districts more than three times as many persons arrived in the United States by passenger trains in 1943 as in the previous year, while in the El Paso, San Diego, and Maine districts the number of such passengers more than doubled and in most other land border districts the increase was substantial. Pedestrian traffic also showed a pronounced upward turn, particularly in each of the districts along the Mexican border where the largest portion of this traffic took place. Gas rationing continued to curtail both the number of automobiles and busses crossing the border and the number of persons using this means of transportation. For the sixth successive year fewer ferry trips were made than in the year before and, following an increase in 1942, the number of ferry passengers again resumed the downward trend which began 5 years ago. Although fewer documented vessels were entered than in the previous year, the number of passengers brought in by those vessels increased substantially. The following statement covers the leading classes of traffic for the last 2 years.

Number of vehicles and persons entering the United States from abroad, fiscal years 1942 and 1943

Kind of entrant	1942	1943	Percentage increase or decrease (−)
Vehicles:			
Automobiles and busses	9,446,396	7,789,628	−17.5
Documented vessels	r 33,960	29,797	−12.3
Undocumented vessels	25,279	25,084	−.8
Ferries	81,544	59,639	−26.9
Passenger trains	31,945	33,680	5.4
Aircraft	13,867	17,216	24.2
Other vehicles	419,612	422,247	.6
Passengers by:			
Automobiles and busses	25,706,441	23,622,645	−8.1
Documented vessels	305,190	388,965	27.4
Undocumented vessels	81,182	75,700	−6.7
Ferries	1,754,037	1,502,512	−14.3
Passenger trains	1,111,863	2,085,463	87.6
Aircraft	133,715	197,993	48.1
Other vehicles	1,848,857	2,254,539	21.9
Pedestrians	9,320,250	11,971,485	28.4
Total passengers and pedestrians	40,261,535	42,099,302	4.6

r Revised.

Airplane traffic on international lines continued its expansion for the twelfth consecutive year. The number of airplanes arriving from abroad was 24 percent larger and the number of passengers 48 percent larger than during the preceding year. More than one-third of the planes and practically half of the passengers who reached the United States on international lines arrived at the Florida customs district, mostly at the port of Miami. Large gains over the previous year were

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also recorded at Fort Fairfield, Maine; San Antonio and Brownsville, Tex.; Baltimore, Md.; Detroit, Mich.; Los Angeles, Calif.; Sonoyta, Ariz.; and Honolulu. Dallas, Tex., became the terminal for international airlines in September 1942, and handled a substantial volume of traffic during the rest of the year. Traffic at Bangor, Maine; Burlington, Vt.; Buffalo and New York City, N. Y.; Seattle, Wash.; and Juneau, Alaska, declined. The following table shows the number of airplanes and airplane passengers entering the United States during the past 2 fiscal years.

Number of airplanes and airplane passengers entering the United States, fiscal years 1942 and 1943

District	Airplanes		Airplane passengers		Percentage increase or decrease (−)	
	1942	1943	1942	1943	Airplanes	Passenger
Northern border:						
Maine	659	1,143	1,990	9,895	73.4	397.2
Vermont	1,525	899	13,554	10,588	−41.0	−21.9
Buffalo	1,122	568	4,436	2,648	−49.4	−40.3
New York	1,639	1,088	19,692	14,593	−33.6	−25.9
Maryland	26	84	552	1,985	223.1	259.6
Washington	1,349	730	7,224	4,200	−45.9	−41.9
Montana	361	345	1,996	3,397	−4.4	70.2
Dakota	775	608	3,958	5,562	−21.5	40.5
Michigan	641	784	5,399	8,097	22.3	50.0
Other districts	r 156	148	r 473	480	−5.1	1.5
Total	r 8,253	6,397	r 59,274	61,445	−22.5	3.7
Southern border:						
Galveston		371		4,096		
Laredo	1,024	1,586	13,487	20,972	54.9	55.5
El Paso	21	403	35	2,299	1,819.0	6,468.6
Arizona	13	93	16	184	615.4	1,050.0
Los Angeles	287	348	2,690	4,151	21.3	54.3
Other districts	r 12	11	r 36	187	−8.3	419.4
Total	r 1,357	2,812	r 16,264	31,889	107.2	96.1
Florida	2,933	6,638	51,307	94,181	126.3	83.6
Alaska	1,286	922	6,197	4,992	−28.3	−19.4
Hawaii	38	447	673	5,486	1,076.3	715.2
Total	4,257	8,007	58,177	104,659	88.1	79.9
Grand total	13,867	17,216	133,715	197,993	24.2	48.1

r Revised.

Drawback transactions.—All types of drawback transactions declined in 1943 from the preceding year, the total drawback allowed amounting to $12,014,810, or $2,756,292 less than in 1942. More than 99 percent of the drawback allowed was drawback on merchandise manufactured from imported materials of which the most important during 1943 were sugar, copper, lead, raw wool, and coal-tar products. The number of drawback notices of intent and the number of drawback entries decreased by 40 and 28 percent, respectively. A comparison of these transactions during the past 2 years is presented in the following table.

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Drawback transactions, fiscal years 1942 and 1943

Transaction	1942	1943	Percentage increase or decrease (−)
	Number	*Number*	
Drawback entries received	22,112	15,946	−27.9
Drawback notices of intent:			
Originating in the district	201,464	120,983	−39.9
Received from other districts	121,670	96,593	−20.6
Forwarded to other districts for disposition	114,437	89,706	−21.6
Certificates of manufacture received	14,839	7,376	−50.3
Import entries used in drawback liquidation	17,286	13,206	−23.6
Certificates of importation issued	6,446	4,270	−33.8
	Amount	*Amount*	
Drawback allowed:			
Manufactures from imported merchandise	$14,739,192.75	$11,954,454.18	−18.9
Duty paid on merchandise exported from continuous customs custody	11,404.62	22,763.42	99.6
Merchandise which did not conform to sample or specifications and returned to customs custody and exported	17,296.71	35,929.85	107.7
Salt used in curing fish	3,207.83	1,662.46	−48.2
Total drawback allowed	14,771,101.91	12,014,809.91	−18.6
Internal revenue refund on account of domestic alcohol	285,733.26	257,982.12	−9.7
Total	15,056,835.17	12,272,792.03	−18.5

The following table shows the principal commodites on which drawback was paid during the past 2 years.

Principal commodities on which drawback was paid, fiscal years 1942 and 1943

Commodity	1942	1943	Percentage increase or decrease (−)
Sugar	$2,667,573.87	$3,221,663.16	20.8
Copper	5,725,523.23	2,397,794.38	−58.1
Lead ore, matte, pigs	1,033,201.36	865,333.88	−16.2
Raw wool and mohair	377,923.56	656,360.83	73.7
Coal-tar products	25,585.67	649,003.56	2,436.6
Aluminum, crude	446,148.10	479,006.25	7.4
Petroleum, crude	465,993.14	416,924.39	−10.5
Zinc ore and blocks	855,047.21	371,615.98	−56.5
Tungsten ore	324,229.70	331,605.95	2.3
Manganese	399,253.96	264,490.14	−33.8
Nickel	445,528.00	218,027.20	−51.1
Raw cotton	17,578.05	196,412.42	1,017.4
Flaxseed	134,359.19	163,358.42	21.6
Tobacco, unmanufactured	202,301.68	150,242.57	−25.7
Iron and steel manufactures		143,312.63	
Bauxite ore	170,358.24	134,280.85	−21.2
Butter	90,120.79	122,708.21	36.2
Tallow, inedible	69,961.68	102,470.31	46.5
Burlap	151,367.91	95,730,12	−36.8
Whale and herring oil	6,790.67	91,922.65	1,253.7
Motion picture films	141,914.51	91,200.43	−35.7
Soybean oil	105,750.78	2,676.31	−97.5

Protests and appeals.—A much smaller number of protests were filed during 1943 than during the previous year, continuing the decline evidenced since the start of the war. The number of appeals for reappraisment also declined rather sharply as some of the difficulties encountered during the preceding year by appraising officers in ascertaining the correct foreign value of imported merchandise were overcome. The following statement shows the progress of this work during the past 2 years.

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Number of protests and appeals, fiscal years 1942 and 1943

Status	1942	1943	Percentage decrease
Protests:			
Filed with collectors by importers	23,481	10,876	53.7
Allowed by collectors	1,342	666	50.4
Denied by collectors and forwarded to customs court	21,202	14,069	33.6
Appeals for reappraisement filed with collectors	7,783	4,548	41.6

Appraisement.—A quantitative evaluation of appraisement activities is a difficult matter under normal conditions but is far more difficult at the present time. Goods dutiable at ad valorem rates, which prior to the present world war accounted for about 30 percent of the total duty collections, shrank during 1943 to half their former proportions. This was due to the almost complete elimination from the American market of Japanese and continental European goods, many of which had been dutiable at ad valorem rates. The amount of work done by appraisement officers, however, did not decrease proportionately to the diminished quantity of goods dutiable at ad valorem rates. Many new types of imports from the Western Hemisphere were introduced during the past year to serve as substitutes for commodities previously imported from Europe and the Orient. The additional work due to difficulties in securing accurate valuations for these new types of imports offset to a considerable extent the reduction in work resulting from the decline in the quantity of those imports which were subject to review by the appraisement officers. The reduction in appraisement work as a whole, however, made possible a 25 percent reduction in the personnel assigned to this work.

In order to secure uniformity of appraisal at the various ports of the United States, notices of valuation and classification of merchandise were interchanged. The differences in valuation between different ports were adjusted by means of correspondence, foreign investigations, and the cooperation of importers. Differences in classification were also adjusted by correspondence between field officers.

The activities of the Customs Information Exchange at New York in connection with its work as the clearing house for the dissemination of information, primarily to appraisers and secondarily to the entire Customs Service, were as follows:

Activity	1942, number	1943, number	Percent decrease
Appraisers' reports of value or classification received	15,339	11,261	26.6
Differences in classification reported	991	854	13.8
Differences in value reported	2,238	1,637	26.9
Appraisement appeals reports received	2,341	946	59.6
Changes in value circulated	635	321	49.4
Reports and price lists affecting values circulated	1,146	667	41.8
Requests for foreign investigations	448	419	6.5
Copies of foreign reports and price lists forwarded to interested appraising officers		11,508	

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Laboratories.—The number of samples of merchandise tested at the 9 customs laboratories during 1943 was 96,962 compared with 100,562 tested at 10 laboratories during the previous year. The volume of work greatly increased during the course of the fiscal year 1943; 63 percent of the year's total of samples were tested during the last 6 months of the year, the number of samples tested during that period being 72 percent greater than during the first 6 months. The samples tested during 1943 included 5,007 samples analyzed for the following war agencies: United States Maritime Commission, Lend-Lease Administration, The Panama Canal, Army, Navy, and Marine Corps, Metals Reserve Company, Food Distribution Administration, Office of Price Administration, and Office of Economic Warfare. The analysis of many of these samples was very complicated and in each case required much more time than the analysis of the individual samples of imported merchandise ordinarily received.

Law enforcement activities

Seizures.—For the second successive year more seizures were made than during the preceding year, every type except lottery seizures being more numerous than in 1942. The total value of goods seized by customs officers, however, was not so great as in 1942, owing to the fact that during the earlier year vessels of much greater value were seized than during 1943.

Merchandise seizures were of greater total value in 1943 than during the previous year partly because of the inclusion in this category of the cargo of certain vessels seized for technical violations of the navigation laws and antismuggling acts. The penalties incurred for most of these violations were subsequently remitted. The value of seizures of jewelry and precious stones was very much smaller than in 1942, a part of this decline being due to the inclusion in the 1942 total of two exceptionally large seizures of precious stones the aggregate value of which was $831,273. Violations of the rationing program in the United States accounted for the increased value of seizures of wearing apparel and edibles.

Although more liquor seizures were made than during the previous year, the quantity and value of distilled and malt liquors and alcohol were less than in 1942.

Narcotic seizures increased both in number and value as compared with the previous year but these seizures continued to be confined to quantities far smaller than in the heyday of narcotic smuggling. A considerable portion of the narcotic seizures was made along the Mexican border. The largest seizure of smoking opium was made at El Paso in June and consisted of 633 ounces. A single seizure of 2,720 ounces at Laredo in February accounted for two-thirds of the total quantity of marihuana seized. The quantity of seized narcotics during 1943 was 4,131 ounces of marihuana and 7,507 ounces of other drugs as compared with 3,161 ounces of marihuana and 923 [r] ounces of other drugs in the previous year.

The number and principal types of seizures made by the Customs Service and other governmental agencies during the past 2 years are shown in the following table.

[r] Revised.

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Seizures for violations of the customs laws, fiscal years 1942 and 1943

Seizure	1942 r	1943	Percentage increase or decrease (−)
Merchandise:			
Number	4,619	5,816	25.9
Value:			
Jewelry, etc	$1,340,759	$175,163	−86.9
Wearing apparel and luggage	25,145	101,296	302.8
Toilet articles and medicine	24,585	176,754	619.0
Textiles and raw wool	182,365	16,224	−91.1
Furs—skins and manufactured	29,588	16,946	−42.7
Edibles and farm produce	10,186	63,637	524.7
House furnishings, including rugs	51,187	107,864	110.7
Guns and ammunition	607	2,055	238.6
Hardware	2,798	12,703	354.0
Cameras and other sport goods	9,177	17,644	92.3
Stationery supplies and books	2,222	7,422	234.0
Cigars, etc	4,766	4,446	−6.7
Prohibited articles	7,473	4,810	−35.6
Livestock (except horses)	4,429	2,363	−46.6
Colors, dyes, etc	20,492	3,884	−81.0
Lubricating oil	61,210	2,057	−96.6
Cargo of seized vessels	1,996,748	6,300,582	215.5
Gasoline		100,150	
Chemicals	2,287	44,114	1,828.9
Auto accessories	2,990	18,896	532.0
Lumber	29	9,991	34,351.7
Coke and oil	3,636	6,666	83.3
Brick and granite	314	6,543	1,983.8
Metal	391	9,404	2,305.1
Machinery parts	2,015	13,898	589.7
Rubber, excluding tires	3	2,892	96,300.0
Medical and scientific instruments	7,148	1,569	−78.0
Miscellaneous	703	2,606	270.7
Total value	3,793,253	7,232,579	90.7
Prohibited articles:			
Obscene, number	558	584	4.7
Lottery, number	351	279	−20.5
Narcotics:			
Number	593	729	22.9
Value	$84,162	$137,587	63.5
Liquors:			
Number	3,174	3,894	22.7
Quantity (gallons)	3,862	2,413	−37.5
Value	$37,826	$30,823	−18.5
Boats, automobiles, airplanes, and horses; value	$14,348,734	$2,378,611	−83.4
Grand total:			
Number	9,295	11,302	21.6
Value	$18,263,975	$9,779,600	−46.4

r Revised.

In addition to the goods that were seized, claims aggregating $13,246,130 were initiated by the Customs Service against importers in connection with various irregularities and frauds which did not necessitate a seizure or were discovered after the goods had gone into consumption.

The following table presents the record of customs seizures classified according to the various agencies which were instrumental in apprehending violators of customs laws.

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Seizures and arrests for violations of customs laws, classified according to agencies participating, fiscal year 1943

	Seizures								
	Total		Narcotics[2]		Liquor		Lottery and obscene, number	Merchandise	
	Number[1]	Value	Number	Value	Number	Value		Number	Value
Customs Agency Service:									
Investigative Unit	559	$285,174	19	$37,459	5	$437	None	535	$170,338
Enforcement Unit	359	109,549	26	20,043	51	7,881	-------	282	28,500
Customs Service, exclusive of Agency Service	10,221	9,367,713	672	79,424	3,792	19,249	863	4,894	7,029,848
Total Customs Service	11,139	9,762,436	717	136,926	3,848	27,567	863	5,711	7,228,686
Immigration	87	9,022	12	661	18	1,963	-------	57	1,744
Customs Service assisted by other services	53	4,422	-------	-------	27	1,270	-------	26	577
Other Federal and local officers	23	3,720	-------	-------	1	23	-------	22	1,572
Grand total	11,302	9,779,600	729	137,587	3,894	30,823	863	5,816	7,232,579

	Seizures—Continued							Number of arrests
	Total value boats, automobiles, and horses	Boats		Automobiles		Horses		
		Number	Value	Number	Value	Number	Value	
Customs Agency Service:								
Investigative Unit	$76,940	3	$61,500	33	$15,440	-------	-------	31
Enforcement Unit	53,125	21	681	117	51,851	16	$593	208
Customs Service, exclusive of Agency Service	2,239,192	25	2,160,893	164	77,985	13	314	218
Total Customs Service	2,369,257	49	2,223,074	314	145,276	29	907	457
Immigration	4,654	1	4	8	4,650	-------	-------	53
Customs Service assisted by other services	2,575	-------	-------	4	2,575	-------	-------	49
Other Federal and local officers	2,125	-------	-------	8	2,125	-------	-------	16
Grand total	2,378,611	50	2,223,078	334	154,626	29	907	575

[1] Excludes number of boats, automobiles, and horses, as they were seized in connection with narcotics, etc., seizures.
[2] Other types of seizures of narcotics are described in the section under the Bureau of Narcotics.

More automobiles were seized during 1943 than during the previous year. The 1943 total included 8 automobiles valued at $2,125 seized by Secret Service officers and delivered to the Customs Service for forfeiture as compared with 19 automobiles valued at $7,970 during the previous year.

The following table summarizes the number of boats, automobiles, etc., seized for customs violations during the past 2 years.

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Boats, automobiles, airplanes, and horses seized, fiscal years 1942 and 1943

Seizure	For liquor violations		For narcotic violations		For other violations		Total	
	1942	1943	1942	1943	r 1942	1943	r 1942	1943
Boats:								
Number	4				63	50	67	50
Value	$15,814				$14,218,954	$2,223,078	$14,234,768	$2,223,078
Automobiles:								
Number	43	4	35	30	204	300	282	334
Value	$9,057	$1,670	$13,669	$13,150	$84,613	$139,806	$107,339	$154,626
Airplanes:								
Number					1		1	
Value					$2,300		$2,300	
Horses:								
Number	1				87	29	88	29
Value	$20				$4,307	$907	$4,327	$907
Total value	$24,891	$1,670	$13,669	$13,150	$14,310,174	$2,363,791	$14,348,734	$2,378,611

r Revised.

During the year 243 seized automobiles and trucks were returned to petitioners because the violations were not sufficiently flagrant to warrant forfeiture. Of the 59 automobiles forfeited, 33 were assigned for official use either to the Customs Service or to some other governmental agency, and 26 were sold at public auction.

In the course of their regular duties officers often apprehend violators of other than customs laws. During the year, 2,266 seizures were made for other departments and agencies, of which 351 were made for the Department of Agriculture and 1,783 for the Post Office Department. There were 242 persons apprehended, of whom 233 were for the Immigration Service. In addition, 2,669 violations of the Department of Agriculture laws were detected.

Legal proceedings.—As the result of narcotic seizures, 221 persons were presented for prosecution. Including cases pending from the previous year, those which were concluded resulted in 147 convictions and 38 acquittals. Prison sentences aggregating over 168 years and fines amounting to $15,354 were imposed by the court on convicted offenders. In addition, penalties aggregating $46,620 were assessed against the masters of 73 vessels on which narcotic drugs were found concealed; many of these cases have not been concluded, but, including cases initiated prior to 1943, $9,878 was collected from the masters of vessels.

In connection with all seizures there were 575 arrests, an increase of 89 during the year. The high ratio of convictions in the number of cases disposed of continued. Of the 569 disposed of in 1943, 372 convictions were secured, or 65 percent, the same proportion as in 1942. Prison terms to which customs violators were sentenced aggregated almost 252 years in 1943 as compared with 189 years in 1942, while the total amount of fines imposed by the courts was $58,851 in 1943 and $27,206 in 1942.

Fines, penalties, etc.—Collections from fines, forfeitures, penalties, and liquidated damages and sales of seizures aggregated $620,864 in 1943, a decrease of $27,540 from the previous year. Of the 1943 total, $20,987 was derived from the sale of seized and forfeited articles compared with $13,235 derived from the same source in the previous year.

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Customs Agency Service.—In order to improve the efficiency of customs agents' operations, considerable changes were effected in the composition and location of the agency districts of the Customs Service during the fiscal year. A new agency district was established with headquarters at New Orleans, and the districts with headquarters at Detroit and St. Paul were abolished and consolidated with the Chicago district, suboffices being retained at St. Paul and Detroit under the headquarters office at Chicago. The headquarters of two districts were changed: the Houston office was transferred to El Paso, Tex., and the Jacksonville office to Miami, Fla. The suboffice at Savannah was reopened after having been closed for about a year.

A partial summary of the activities of the agency service during the past 2 years is presented in the following table.

Activities of the Customs Agency Service, fiscal years 1942 and 1943

Activity	Number		Percentage increase or decrease (−)
	1942	1943	
Investigations of violations of customs laws:			
Undervaluation	586	674	15.0
Marking violations	85	104	22.4
Baggage violations	716	1,104	54.2
Diamond and jewelry smuggling	366	636	73.8
Narcotic smuggling	819	752	−8.2
Other smuggling	727	1,726	137.4
Touring permits	269	241	−10.4
Other investigations:			
Alleged erroneous customs procedure	110	159	44.5
Drawback	1,083	863	−20.3
Classification and market value	631	481	−23.8
Customs bonds to determine solvency and sufficiency	99	56	−43.4
Applications for customhouse brokers' licenses	70	85	21.4
Applications for bonded truckmen's licenses	89	45	−49.4
Petitions for relief from additional duty	306	354	15.7
Personnel	1,399	1,712	22.4
Navigation violations	234	253	8.1
Pilferage of merchandise	181	202	11.6
Foreign, by members of domestic service	445	467	4.9
Miscellaneous	3,011	2,202	−26.9
Examinations of customhouse brokers' records	108	193	78.7
Cases of cooperation with other agencies	11,965	7,258	−39.3

Miscellaneous

Under the authority contained in section 318 of the Tariff Act of 1930 and at the instigation of the War Production Board, the President issued Proclamation No. 2566, dated August 7, 1942, declaring the existence of an emergency and authorizing the Secretary of the Treasury to extend for 3 years the time prescribed in section 313 (b) of the Tariff Act of 1930, within which sugar must be used in the manufacture or production of articles, in any case in which the time prescribed in such subsection had not expired. Under authority of the proclamation, the Acting Secretary of the Treasury so extended the time limit in Treasury Decision 50703 (7 F. R. 6441).

This action was taken because the exports of refined sugar and of manufactured articles containing sugar were not so large as the volume of full-duty sugar imports. Without the extension of time, refiners would have to withhold from the domestic market sugar intended for ultimate exportation in order to protect their drawback credits based on importations of full-duty sugar. This sugar would be warehoused and earmarked for subsequent exportation although the

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actual exportation might not take place for a considerable time. By extending the period during which drawback could be claimed on exports of sugar and sugar products, refiners are enabled to meet the demands of the domestic market without being penalized to the extent of the duty on the imported sugar used.

War activities.—Most of the activities of customs officers which resulted from the prosecution of the war in 1942 continued unabated during the past year and in some cases increased. These included the handling of communications or correspondence coming into or going out of this country by courier or otherwise than in the regular course of the mails; the regulation of imports and exports of merchandise by various governmental agencies for use in national defense or belligerent operations; the enforcement of export licensing requirements for strategic materials; the control of shipments to blocked nationals; and collaboration in the enforcement of export control, alien property control, trading with the enemy, foreign funds control, and other war measures.

Among the new war problems which confronted the Customs Service in 1943 were the disposition of property salvaged from torpedoed or wrecked vessels; the admission into the United States free of duty during the war of various special categories of merchandise, such as effects of persons in the Government service or persons evacuated to this country by Government order, articles for members of the armed forces of the United Nations or for enemy prisoners of war, and articles sent home as gifts by our soldiers and sailors abroad; the assumption of temporary custody under authorization of the War Department and removal of imported merchandise from docks and warehouses where necessary to keep such transportation facilities clear for the movement of war materials; the administration of Executive Order No. 9177, dated May 30, 1942, authorizing the free entry by certain governmental agencies of emergency purchases of war materials abroad; and the handling of imported merchandise which remained in customs custody for a longer time than the statutory provisions permitted where delay was caused by export control, foreign funds control, or other governmental emergency licensing requirements, or by other wartime conditions. Customs officers also gave assistance to various military and civilian governmental agencies in cases involving war problems touching upon the field of customs jurisdiction. Close cooperation was maintained with the Office of Price Administration in connection with importation of rationed articles, such as processed foods, coffee, sugar, shoes, tires, tubes, and other rubber products. The surrender of ration stamps or other ration evidence was required by customs officers before the delivery of the rationed articles was permitted. Assistance was also extended to the Office of Price Administration in connection with the lading of rationed ships' stores on outgoing vessels, and to the Office of Economic Warfare in not permitting the lading of excessive amounts of supplies as ships' stores.

Maritime matters constituted another of the wartime activities of customs officers. Special procedures were adopted for vessel clearances to facilitate lend-lease shipments and the transportation of military personnel and supplies, and to guard against the leakage of ship-movement information to any unauthorized persons.

The Secretary of the Treasury, pursuant to the authority contained

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in the Second War Powers Act, 1942, issued a number of orders waiving compliance with certain provisions of the navigation laws. The majority of these orders were given a confidential status because of their close relation to the war effort and the special nature of their contents, but some, of more general applicability, have been published. Among the more important orders in the latter class were those (1) permitting Canadian halibut fishing vessels to land their catches of halibut in Alaska for a limited time; (2) permitting certain foreign-flag vessels and vessels of the United States under limited or restricted registry to transport merchandise between Puerto Rico and the United States under certain conditions; (3) permitting certain foreign-flag vessels to transport coal between United States ports in the range between Norfolk, Va., and Eastport, Maine, for a limited period; and (4) permitting certain foreign-flag vessels and vessels of the United States under limited or restricted registry to transport merchandise or passengers, or both, in the coastwise trade, and permitting certain of those vessels to tow any vessel coastwise.

The admeasurement of vessels of the so-called Liberty Ship class was greatly simplified by the adoption of standardized figures for the vessels of this class, all of which are nearly identical in design and arrangement. A tolerance of three-tenths of 1 percent in the gross and net tonnages was allowed in order that small and unimportant variations in the use of spaces on individual vessels might be disregarded in the interests of speed and economy in measurement.

Training of employees.—Owing to transportation difficulties, reduction of personnel, and concentration of the attention of customs officers on war-time activities, less attention was given to the training of employees by means of correspondence courses and instruction classes than during the previous year. Instruction classes were conducted at 22 ports of entry with an average of 17 customs officers and employees in attendance at each class. Discussion classes were conducted at 23 additional ports of entry and customs stations where the number of regularly assigned personnel was too small to warrant formal classes. A total of 1,185 instruction classes and 394 discussion classes were conducted during the year, an aggregate of 1,579 meetings.

Publications.—The 1943 edition of the Customs Regulations was completed and issued during the year. This edition is limited to those regulations which concern the general public, regulations applicable exclusively to customs officers being published in a separate volume—The Customs Manual. The two annual marine publications of the Bureau of Customs were issued as usual but because of the nature of the information contained in them their distribution was carefully restricted. "Merchant Marine Statistics" provides statistical statements regarding the vessels of the United States, and "Merchant Vessels of the United States" gives a list of such vessels, describing each one in detail.

Changes in ports and stations.—During the year the ports at Cordova, Alaska; Mahukona, T. H.; and Gastonia, N. C.; and the stations at Depot Harbor, Ontario; Taku, Alaska; Port Crescent, Michigan; and Louisville Landing, N. Y., were abolished; and a station was established at Chief Mountain, Mont.

Cost of administration.—The total revenue collected by the Customs Service, including collections for other departments and Puerto Rican collections other than duties, amounted to $414,191,247 as compared

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with $428,596,660 in 1942, a decrease of 3.4 percent during the year. The expenses were $23,381,640, an increase of $2,187,565 over 1942. This increase, despite reduced personnel, was largely due to the increased salaries paid under Public Law 821, approved December 22, 1942, and the War Overtime Pay Act of 1943 (Public Law 49), approved May 7, 1943; and increases in salaries provided under the Mead-Ramspeck Act. The cost to collect $100 was $5.74 in 1943 as compared with $4.94 in 1942.

BUREAU OF ENGRAVING AND PRINTING

The deliveries of currency, bonds, stamps, and miscellaneous printings by the Bureau during 1943 amounted to 854,540,520 sheets, an increase of 241,001,679 sheets over the previous year, or 39.28 percent.

A comparative statement of deliveries of finished work in the fiscal years 1942 and 1943 follows.

Deliveries of finished work, fiscal years 1942 and 1943

Class	Sheets		Face value, 1943
	1942	1943	
Currency:			
United States notes	4, 515, 000	3, 870,000	$149, 940, 000
Silver certificates	89, 370, 000	96, 464, 000	1, 543, 560, 000
Overprinted "Hawaii"	250, 000	751, 000	9, 012, 000
Federal Reserve notes	24, 165, 867	49, 668, 700	7, 139, 040, 000
Overprinted "Hawaii"	179, 167	543, 333	67, 200, 000
Specimens	3		
Total	118, 480, 037	151, 297, 033	8, 908, 752, 000
Bonds, notes, bills, certificates, etc.:			
Bonds:			
Panama Canal	500		
Postal savings	1, 545	800	760, 000
Treasury	1, 595, 505	2, 492, 622	45, 104, 493, 000
United States savings	65, 554, 500	2, 765, 000	3, 281, 250, 000
United States war savings	15, 187, 000	269, 179, 000	16, 938, 650, 000
Consolidated Federal farm loan for the Federal land banks	500	1, 350	11, 250, 000
Farm loan	2, 476	1, 700	1, 492, 000
Federal Farm Mortgage Corporation	1, 000	10, 650	90, 050, 000
Home Owners' Loan Corporation	2, 668	80	290, 000, 000
Insular—Puerto Rican		5, 314	1, 969, 000
Notes:			
Treasury	1, 550, 900	3, 686, 325	32, 965, 850, 000
Commodity Credit Corporation	64, 000		
Reconstruction Finance Corporation	12, 000		
Treasury bills	33, 900	141, 850	72, 630, 000, 000
Certificates:			
Indebtedness	69, 300	248, 650	98, 798, 000, 000
Cuban silver	15, 000	992, 333	18, 132, 000
Philippine treasury	2, 664, 400		
Debentures:			
Consolidated collateral trust for the Federal intermediate credit banks	37, 500	33, 550	405, 750, 000
Consolidated for Federal home loan banks	8, 305	6, 700	101, 000, 000
National Housing Agency, Federal Housing Administration:			
Defense housing insurance fund	3, 375		
Housing insurance fund	2, 575		
Mutual mortgage insurance fund	17, 100		
War housing insurance fund		8, 100	16, 500, 000
Interim certificates for Treasury bonds	217, 500		
Interim transfer certificates for postal savings bonds	2, 000		
Interim receipts:			
Federal home loan banks	13		
Federal Savings and Loan Insurance Corporation	100		
Specimens:			
Bonds	88	88	
Notes and bills	7	3	
Certificates	2	6	
Debentures	89	3	
Interim certificates	4		
Interim receipts		4	
Total	87, 043, 852	279, 574, 128	270, 655, 146, 000

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Deliveries of finished work, fiscal years 1942 and 1943—Continued

Class	Sheets		Number of stamps, etc.
	1942	1943	1943
Stamps:			
Customs	175,000	108,000	2,242,000
Internal revenue	157,305,191	152,638,615	16,503,490,545
District of Columbia beverage tax-paid	200,883	230,576	46,115,200
Federal migratory-bird hunting	25,000	25,850	2,895,200
Puerto Rican revenue	2,300,270	1,693,585	97,273,900
Virgin Islands revenue		620	62,000
Specimens:			
Internal revenue	101	111	3,070
District of Columbia beverage tax-paid	3		
Postage:			
United States	186,579,088	189,706,354	19,372,437,053
Canal Zone	220,468	43,510	2,228,000
Philippine	187,589	9,763	662,424
Specimens, United States	35	25	1,779
Postal savings	17,154,946	8,391,168	956,883,025
War savings		18,570,714	1,982,555,900
Specimens		52	5,200
Total	364,148,574	371,418,943	38,966,855,296
Miscellaneous:			
Checks	29,086,821	42,453,208	212,266,040
Warrants	85,414	52,084	247,442
Commissions	462,670	260,503	155,742
Certificates	5,727,213	4,791,271	18,658,096
Drafts	13,313	27,250	55,500
Transportation requests	1,256,442	2,294,077	11,470,385
Nontransferable food order and nontransferable surplus-food order stamps	6,201,300	1,779,500	[1] 355,900,000
Nontransferable cotton order and nontransferable surplus-cotton order stamps	455,220		
Other miscellaneous	503,894	556,268	1,739,126
Specimens	3,451	15,071	75,151
Blank paper, including experimental	70,640	21,184	
Total	43,866,378	52,250,416	600,567,482
Grand total	613,538,841	854,540,520	

[1] Excludes 4,234,000 blank fillers.

Dies were engraved for two new issues of postage stamps, namely the 1-cent "Four Freedoms," series 1943, and the 2-cent "United Nations," series 1943.

A contract was entered into with the American Bank Note Company, New York, for the manufacture of postage stamps, in multi color, designated as the "Overrun Countries" series. The countries represented in this series included Poland, Czechoslovakia, Norway, Netherlands, Belgium, Luxembourg, France, Greece, Yugoslavia, Austria, Albania, and Denmark.

New dies and plates were prepared for various classes of bonds notes, revenue stamps, and other printed work. The production of United States war savings bonds was increased from 700,000 bonds per day at the beginning of the year to 1,125,000 per day in May 1943; total deliveries for the year amounted to 271,944,000 bonds, with a face value of $20,219,900,000. Another major project was the printing, by the offset process, of Allied Military currency and postage stamps for the War Department.

The number of employees on the pay roll at the beginning of the fiscal year was 7,803. During the year, 2,226 employees were separated from the service and 2,241 were appointed, making a total of 7,818 at the end of the year.

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Expenditures amounted to $21,608,452.16, an increase of $4,259,959.73 over the previous year, or 24.56 percent. The following statement shows the appropriations, reimbursements, and expenditures for the fiscal years 1942 and 1943.

	1942	1943	Increase
Appropriations:			
Salaries and expenses	$10,050,000.00	$10,327,168.00	$277,168.00
Printing and binding		5,500.00	5,500.00
Reimbursements to appropriations from other bureaus for work completed:			
Salaries and expenses [1]	7,753,724.13	12,271,312.16	4,517,588.03
Printing and binding		3,444.07	3,444.07
Total	17,803,724.13	22,607,424.23	4,803,700.10
Expenditures:			
Salaries and expenses [2]	17,348,492.43	21,599,660.70	4,251,168.27
Printing and binding		8,791.46	8,791.46
Total	17,348,492.43	21,608,452.16	4,259,959.73
Unexpended balance	455,231.70	998,972.07	543,740.37

[1] Additional amounts received from employees for lost identification cards, locker keys, package-booth checks, and badges—$227.50 for 1942 and $174.00 for 1943—were deposited to the credit of the Treasurer of the United States as miscellaneous receipts; and amounts received from reimbursements for jury service by employees—$62.50 for 1942 and $100.22 for 1943—were deposited in the general fund receipt account.

[2] Includes $11,300 transferred to the Bureau of Standards for research work and $80,000 transferred to salaries and expenses, guard force, Treasury Department, for service rendered in connection with the protection of currency, bonds, stamps, and other papers of value, in each of the years 1942 and 1943. The amounts of $430,965.84 and $719,361.97 were transferred to the retirement and disability fund in 1942 and 1943, respectively; the amounts of $91,853.75 and $1,343,619.75 were deducted from the salaries of employees through the payroll allotment plan for the purchase of war savings bonds in 1942 and 1943, respectively, and $360,590 for Victory tax was withheld from salaries of employees from January 1, 1943, through June 30, 1943.

FOREIGN FUNDS CONTROL

By virtue of the authority given the Secretary of the Treasury by Executive Order No. 8389, as amended, and by Executive Order No. 9095, as amended, under sections 3 and 5 (b) of the Trading with the Enemy Act (50 U. S. C. (App.) 3, and 50 U. S. C. (Supp. 1941) 5 (b)), Foreign Funds Control has blocked the holdings subject to the jurisdiction of the United States of 36 countries and their nationals.

During the fiscal year 1943, Foreign Funds Control considered 238,000 applications for licenses to effect specific transactions involving total values of over $4.8 billions. This total was distributed by types of transactions approximately as follows:

	(*In millions*)
Ships and shipping	$310
Blocked business enterprises in the United States	2,598
Foreign trade	275
Patents, copyrights, royalties, etc	8
Securities	843
Other business transactions	540
Personal transactions	68
Miscellaneous transactions	230
Total	4,872

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BUREAU OF INTERNAL REVENUE [a]

General

Internal revenue collections.—During the fiscal year 1943 internal revenue collections, including trust fund collections, totaled $22,371 millions, an increase of $9,324 millions over collections for 1942. The total amount collected included back income taxes of $557 millions, which is approximately $97 millions more than back income tax collections for 1942.

Miscellaneous internal revenue collections amounted to $4,574 millions, which is an increase of $718 millions over collections for 1942. The largest increases were as follows: Capital stock tax, $47 millions; estate tax, $74 millions; liquor taxes, $375 millions; tobacco taxes, $143 millions; retailers' excise taxes, $85 millions; and miscellaneous taxes, $316 millions.

Employment tax collections totaled $1,499 millions, an increase of $313 millions over the preceding year. Total collections under the Federal Insurance Contributions Act were $1,132 millions; collections under the Federal Unemployment Tax Act, $156 millions; and collections of carriers taxes, $211 millions.

Total collections of internal revenue during the fiscal years 1942 and 1943 are shown in the following summary, classified according to the administrative organization responsible for the tax. A detailed statement of collections appears in table 6, page 501 of this report.

Summary of internal revenue collections, fiscal years 1942 and 1943

[On basis of reports of collections, see p. 460]

Administrative unit	1942	1943	Increase
Income Tax Unit [1]	$8,006,883,543.68	$16,298,888,091.56	$8,292,004,547.88
Alcohol Tax Unit	1,048,516,706.56	1,423,646,456.44	375,129,749.88
Miscellaneous Tax Unit	2,807,106,423.79	3,150,146,914.96	343,040,491.17
Accounts and Collections Unit (employment tax activities)	1,185,361,843.69	1,498,705,033.59	313,343,189.90
Total collections	13,047,868,517.72	22,371,386,496.55	9,323,517,978.83

[1] Includes collections from the tax on unjust enrichment.

Refunds, drawbacks, and stamp redemptions.—During the year refunds of tax collections, together with interest, were made from the following appropriations:

Refunding internal revenue collections, 1942 and prior years	$13,658,803.61
Refunding internal revenue collections, 1943 and prior years	43,306,323.44
Refunds and payments of processing and related taxes, 1939–43	6,752,955.69
Total, interest included	63,718,082.74

The following is a summary of the refunds, showing the number of schedules and claims, the amounts of refunds and repayments allowed, and the total amount refunded, including interest, on each class of tax during the fiscal year 1943, with comparison of the totals for 1942.

[a] More detailed information concerning the activities of the Bureau of Internal Revenue will be found in the annual report of the Commissioner of Internal Revenue.

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Number of schedules and claims, amount of refunds and repayments, and total refunds, repayments, and interest, by class of tax, fiscal year 1943 and totals for 1942

Class of tax	Number of schedules	Number of claims	Amount of refunds and repayments	Total refunds, repayments, and interest
Bituminous coal	20	71	$11,509.84	$11,545.39
Capital stock	90	1,988	834,852.47	949,263.80
Carriers taxes	29	43	4,803.91	5,096.00
Distilled spirits	389	10,923	735,650.40	742,946.44
Distilled spirits stamps redeemed	75	1,564	186,724.19	187,325.23
Distilled spirits drawbacks		1,237	613,238.33	613,238.33
Estate	1,244	1,939	5,520,243.02	6,320,792.37
Gift	433	523	488,676.58	530,368.45
Income	6,823	158,519	31,688,030.20	38,618,140.64
Miscellaneous	142	2,841	898,233.57	976,956.45
Miscellaneous stamps redeemed	216	12,611	224,117.46	228,783.14
Narcotics	24	117	214.18	214.18
Narcotic stamps redeemed	41	65	411.04	411.04
Sales	89	1,816	1,992,074.18	2,111,900.53
Federal Insurance Contributions Act	1,218	44,572	1,322,349.97	1,372,826.97
Federal Unemployment Tax Act	2,520	12,290	1,386,876.31	1,448,249.95
Sugar	22	348	811,454.90	811,873.72
Tobacco	16	180	6,543.87	6,648.79
Tobacco stamps redeemed	18	2,234	2,000,098.73	2,000,098.73
Tobacco drawbacks	11	112	28,446.90	28,446.90
Total income and miscellaneous internal revenue	13,420	253,993	48,754,550.05	56,965,127.05
Agricultural adjustment	153	220	6,061,292.99	6,752,955.69
Grand total, fiscal year 1943	13,573	254,213	54,815,843.04	[1] 63,718,082.74
Fiscal year 1942:				
Income and miscellaneous internal revenue	17,023	284,789	46,982,093.06	54,459,008.53
Agricultural adjustment	270	458	19,838,530.41	22,073,066.12
Grand total, fiscal year 1942	17,293	285,247	66,820,623.47	[1] 76,532,074.65

NOTE.—The figures in this table will not agree with those given in later sections of this report for the reason that the amounts shown in the later sections relate to claims disposed of by the units, whereas this table shows actual payments made.

[1] Excluding refunds from trust funds set up for Philippine coconut oil, Philippine trust fund, and Puerto Rico trust fund. The amounts refunded from these accounts were for 1942, $234,145.39 (coconut oil) and $225.13 (Puerto Rico); and for 1943, $135,581.12 (coconut oil), $394.67 (Philippine) and $1,004.24 (Puerto Rico).

If the tax refunds made during the fiscal year 1943 on account of erroneous or illegal collections of internal revenue and agricultural adjustment taxes and payments for export drawbacks, redemption of stamps, and refunds from trust funds, amounting to $63,855,063, were deducted from the gross collections of $22,371,386,497, the net collections for the fiscal year 1943 would be $22,307,531,434. The gross collections, however, are used for comparative purposes in these reports.

Additional assessments.—The additional assessments resulting from office audits and field investigations made during the fiscal years 1942 and 1943 were as follows:

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Additional assessments, fiscal years 1942 and 1943, by class of tax

Class of tax	1942	1943
Income [1]	$300,539,626.00	$422,438,293.00
Miscellaneous internal revenue:		
Estate	71,390,182.91	64,516,795.73
Gift	5,990,702.88	7,790,308.76
Capital stock	1,177,930.86	804,500.44
Sales	4,491,257.97	3,747,350.11
Liquors	3,609,027.11	3,513,785.98
Miscellaneous	12,381,042.79	21,098,275.99
Miscellaneous excise		1,669,334.07
Tobacco	185,098.44	1,111,399.51
Coal	401,147.15	351,761.99
Silver	4.75	
Sugar	1,208.52	7,811.38
Total miscellaneous internal revenue	99,627,603.38	104,611,323.96
Employment taxes	38,273,869.01	39,008,864.59
Grand total	438,441,098.39	566,058,481.55

[1] Includes assessments of $31,854,839 for 1942 and $15,999,136 for 1943 made under the jeopardy provisions of section 279 of the Revenue Act of 1926 and section 273 of subsequent revenue acts.

Cost of administration.—The amount of $103,109,680 was appropriated for the fiscal year 1943 for salaries and expenses in connection with the assessment and collection of internal revenue taxes and the administration of the internal revenue laws. The Bureau transferred the sum of $525,000 to the Post Office Department for expenses in connection with the sale of motor vehicle use stamps; and the expenditures and obligations against the Bureau appropriation were $98,568,512, leaving an unexpended balance of $4,016,168. The expenditures do not include amounts expended for refunding taxes illegally or erroneously collected and for redeeming stamps. The cost of collecting $22,227,341,482 (excluding $144,045,015 collected by post offices) during the year was $0.44 per $100, compared with $0.57 per $100 for 1942.

The amount of $500,000 was appropriated for the fiscal year 1943 for salaries and administrative expenses in connection with making refunds authorized by Titles IV and VII of the Revenue Act of 1936. The amount expended and obligated from this fund amounted to $300,426, leaving an unexpended balance of $199,574.

Income Tax Unit

General functions.—The Income Tax Unit is charged with the administration of the internal revenue laws with reference to taxes on income, excess profits of corporations, and refunds of certain processing taxes, and the laws limiting profits on certain Army and Navy contracts. The administration includes the preparation of regulations and interpretative and procedural rulings and instructions regarding such laws and the examination and adjustment of returns filed thereunder, through office audits and field investigations, for the purpose of determining the correct tax liability as required by law.

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Returns filed.—The number of all types of income and excess profits tax returns filed during the fiscal year 1943 on which tax was reported and assessed was 30,439,764 as compared with 18,164,900 returns filed in the fiscal year 1942[1], an increase of 12,274,864. In addition, 10,067,550 returns were filed during the fiscal year 1943 showing no income subject to tax, compared with 9,608,179 such returns for the preceding fiscal year. The total number of income tax returns filed by individuals was 37,075,649, which represents an increase of 40.6 percent over the number received in the preceding year.

Examination of income and excess profits tax returns upon receipt by the Washington office.—Of the 40,507,314 income and excess profits tax returns filed during the fiscal year, 2,223,172, consisting primarily of the more important returns, were forwarded to the Washington office of the Income Tax Unit. Upon initial review of the returns forwarded to Washington (including those on hand in Washington on July 1, 1942, relating to previous taxable years), 1,263,817 were closed and 1,119,139 were found to require further consideration and investigation by the field offices of the Income Tax Unit.

Investigation of tax returns by the field offices.—The number of income and excess profits tax returns investigated during the year was 585,243 as compared with 551,861 for the previous year, an increase of 6.0 percent. These figures include all returns for which the examiners' reports have been submitted, whether or not the cases have been finally released by reviewing officers.

Estate and gift tax returns investigated by field offices during the year numbered 18,101 as compared with 18,044 for the previous year.

The total number of income and excess profits tax returns on which action was completed by the field offices during the year was 1,644,647, including returns which required investigation as well as returns for which investigations were deemed unnecessary. The total consisted of 1,182,595 corporation, individual, and taxable fiduciary income tax returns, 394,914 partnership and nontaxable fiduciary returns, and 67,138 excess profits tax returns.

Of the 1,182,595 income tax returns on which action was completed, deficiency adjustments were recommended in 278,106 returns. This compares with a total of 939,398 income tax returns for the preceding fiscal year with deficiency adjustments numbering 272,255. Deficiencies were recommended in 14,019 of the excess profits tax returns acted upon in 1943 as against 4,016 for 1942.

In addition, the field offices completed their work on 22,255 estate and gift tax returns during 1943, recommending deficiency adjustments for 11,622 of this number, which compares with 21,701 such returns involving 11,415 deficiency adjustments acted upon in the preceding year.

Petitions to The Tax Court of the United States filed during 1943 involved 5,283 income and excess profits tax returns with proposed tax deficiencies of $92,887,169. This compares with 5,159 returns and tax deficiences of $79,435,744 for 1942.

Revenue results of investigations of income and excess profits tax returns.—The total amount of additional tax, interest, and penalty assessed during 1943 was $392,832,986, the largest amount of any fiscal year on record, of which $311,932,601 applied to income tax returns and $80,900,385 to excess profits tax returns. Excluding

[1] Including in each fiscal year the delinquent returns filed during that year relating to prior years.

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jeopardy and duplicate items, the amounts for these two classes of taxes were $293,795,476 and $78,722,864, respectively.

Stage at which additional tax was assessed.—The settlement authority vested in the field agents was employed even more effectively in 1943 than in the preceding fiscal year, as evidenced by a further increase in the proportion of cases closed by agreements with taxpayers without the issuance of formal deficiency notices, which are otherwise required by law and from which taxpayers may appeal to The Tax Court of the United States. Of the total number of 296,988 income and excess profits tax returns on which regular additional assessments (including duplicate-regular) were made, 284,036 additional assessments, or 95.6 percent, were made by agreement with the taxpayers without the necessity of a statutory notice, as compared with 95.3[r] percent in the fiscal year 1942. Of the total regular additional tax assessed (including duplicate-regular), aggregating $325,681,901, the amount assessed by agreement was $280,919,066 or 86.3 percent as compared with 81.6[r] percent for last year.

Refunds, abatements, and credits.—The number of income and excess profits tax cases which involved refunds or credits of tax or interest to taxpayers or abatement of tax audited and closed by the Income Tax Unit during 1943 was 93,093 as compared with 77,405 such cases closed during 1942, an increase of 15,688 or 20.3 percent. Of the 93,093 overassessments during the year, 49,195 were made to taxpayers without the necessity of filing claims. This compares with 42,361 in 1942. Of the overassessments settled in 1943 by the Income Tax Unit, 64,297 represented refunds or credits of tax or interest involving $49,511,101, as compared with 60,149 involving $37,907,010 in 1942.

There were also allowed 41,078 collectors' claims, of which 18,522 recommended abatements or credits and 22,556 recommended refunds. These claims were largely multiple-item claims, i.e., claims in behalf of a number of taxpayers, and involved 46,240 items for abatement or credit and 102,724 items for refund.

The amount involved in overassessments of all types for 1943 represented by refunds, credits, interest, and abatements for income and excess profits tax cases audited in the collectors' offices as well as by the Income Tax Unit was $113,777,043, as compared with $99,526,248 the previous year.

Inventory of returns on hand in the field offices.—The number of open income and excess profits tax returns on hand in the field offices as of June 30, 1943, was 538,982 compared with 442,057 on the same date last year (excluding in each year returns tentatively accepted without investigation). The net increase between the two dates was 96,925, or 21.9 percent. Returns for 1940 and prior tax years on hand as of June 30, 1943, numbered 102,010, as compared with 61,766 returns for 1939 and prior tax years on hand a year ago; thus the prior-year returns constituted 19.0 percent of the total number on hand at the close of the fiscal year 1943, as compared with 14.0 percent for 1942.

Miscellaneous Tax Unit

The Miscellaneous Tax Unit is concerned with the administration of all internal revenue taxes except the income and excess profits taxes, the taxes applicable to alcoholic beverages, and those relating to employment.

[r] Revised.

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The collections of miscellaneous taxes for the fiscal year 1943 amounted to $3,150,146,915, an increase of $343,040,491 as compared with collections from these sources for the preceding year.

Estate Tax Division.—There were 18,430 estate tax returns and 23,872 gift tax returns received during the year. Collections of estate tax amounted to $414,530,599, representing an increase of $74,207,694 over the collections for the preceding year. Collections of gift tax amounted to $32,965,079, a decrease of $59,252,304 as compared with collections for the preceding year.

Assessment and collection of additional taxes amounting to $70,537,026, proposed in 349 estate tax and gift tax cases, were postponed pending the adjudication of appeals filed with The Tax Court of the United States.

As a result of field investigations and Bureau audits, deficiencies were assessed amounting to $58,813,947 in estate tax and $6,707,629 in gift tax cases.

Tobacco Division.—The collections of tobacco taxes amounted to $923,857,284, as compared with collections of $780,982,216 during the preceding year. The receipts from the tax on small cigarettes comprise the major portion of the tobacco taxes and during the fiscal year 1943 amounted to $835,230,743.

A detailed comparison of the tobacco taxes collected during the fiscal years 1942 and 1943 is shown in table 6, page 501 of this report.

Sales Tax Division.—Collections of manufacturers' excise taxes and retailers' excise taxes amounted to $670,014,973, a decrease of $182,054,410 as compared with collections for the preceding year. A summary of these collections during the last 2 years follows; and a more detailed comparison of the collections is shown in table 6, page 501.

Summary of taxes collected by the Sales Tax Division, fiscal years 1942 and 1943

Source	1942	1943	Increase or decrease (−)
Manufacturers' excise taxes (Title IV, Revenue Act of 1932, as amended, and Subtitle C, Ch. 29, Internal Revenue Code, as amended)	$718, 200, 329. 75	$455, 501, 054. 64	−$262, 699, 275. 11
Electrical energy	49, 977, 581. 17	48, 705, 138. 94	−1, 272, 442. 23
Pistols and revolvers	84, 494. 05	61, 513. 26	−22, 980. 79
Repealed manufacturers' excise taxes	3, 639, 853. 54	481, 396. 46	−3, 158, 457. 08
Total manufacturers' excise taxes	771, 902, 258. 51	504, 749, 103. 30	−267, 153, 155. 21
Retailers' excise taxes (Ch. 19, Internal Revenue Code)	80, 167, 124. 46	165, 265, 869. 35	85, 098, 744. 89
Total	852, 069, 382. 97	670, 014, 972. 65	−182, 054, 410. 32

Capital Stock Tax Division.—The collections of capital stock tax during the year amounted to $328,794,971, as compared with $281,900,135 for the preceding year, an increase of $46,894,836.

Domestic and foreign corporations filed a total of 517,045 returns. As a result of the review and audit of capital stock tax returns, 12,046 assessments were made, involving tax, penalties, and interest in the amount of $804,500.

Miscellaneous Division.—The Miscellaneous Division is concerned with the administration of the taxes on admissions, dues, telephone, telegraph and cable facilities, safe deposit boxes, transportation of persons, transportation of property, the use of motor vehicles and

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boats, the processing of coconut and other vegetable oils, manufactured sugar, bituminous coal, silver, hydraulic mining, and the transportation of oil by pipeline; the special taxes on the maintenance of coin-operated amusement and gaming devices for use, and on the operation of bowling alleys, and billiard and pool tables; the documentary stamp taxes, and the taxes on oleomargarine, etc., narcotics, and marihuana, and with the administration of the National Firearms Act and the Federal Firearms Act. This Division is also concerned with the adjustment of claims for refund of taxes paid under the Agricultural Adjustment Act and related legislation.

The collections of the taxes administered in the Miscellaneous Division amounted to $779,984,010 in 1943, an increase of $320,371,711 over the previous year. Details of these collections for 1942 and 1943 are shown in table 6, page 501.

Alcohol Tax Unit

Collections of liquor taxes, representing receipts from excise taxes, rectification tax, floor stocks taxes, bottle or container stamps, and special or occupational taxes, amounted to $1,423,646,456 during the fiscal year 1943, compared with $1,048,516,707 in the preceding year, an increase of $375,129,749, or 35.8 percent. Details of these collections will be found in table 6 on page 501.

Because of war requirements, the demand for industrial alcohol continued to increase during the year. Under amendments in the acts of January 24, 1942, and March 27, 1942, beverage distillers engaged in the production of high-proof spirits for industrial purposes and, where necessary, transferred spirits of low proof to other plants equipped to raise the spirits to the necessary degree of proof. The Alcohol Tax Unit operated in close coordination with the various war agencies in bringing about the production of increased supplies of alcohol.

On June 30, 1943, the following premises and proprietors were qualified to engage in the production, distribution, or use of alcohol and alcoholic liquors:

	Number
Industrial alcohol:	
Industrial alcohol plants	67
Industrial alcohol denaturing plants	84
Industrial alcohol bonded warehouses	107
Bonded dealers in specially denatured alcohol	44
Bonded manufacturers using specially denatured alcohol	4,047
Hospitals, laboratories and educational institutions using tax-free alcohol	6,737
Distilled spirits:[1]	
Registered distilleries	131
Fruit distilleries	106
Internal revenue bonded warehouses	265
Distillery denaturing bonded warehouses	2
Rectifying plants	212
Tax-paid bottling houses	101
Wines:	
Wineries	893
Bonded wine storerooms	74
Bonded field warehouses	28
Fermented malt liquors: Breweries	467
Beverage dealers:	
Retail malt liquor dealers	122,880
Retail liquor dealers	233,712
Wholesale malt liquor dealers	8,533
Wholesale liquor dealers	5,161
Importers	967
Others:	
Users of distilled spirits in the manufacture of non-beverage products	869
Bottle manufacturers	61
Vinegar plants using vaporizing process	14
Carriers	426

[1] Lessees were as follows: Registered distilleries, 3; tax-paid bottling houses, 5; rectifying plants, 7.

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Procedure Division.—This Division is responsible for planning and developing procedure for the headquarters and field offices of the Alcohol Tax Unit; assists in drafting regulations, Treasury decisions, mimeographs, and circulars; reviews for revision all forms prescribed by the Alcohol Tax Unit; and is charged with the administration of regulations relating to traffic in containers of distilled spirits, and with the supervision of the Statistical Section. In addition to the preparation of procedure and statistics concerned directly with the Alcohol Tax Unit, the Unit furnished war agencies current statistical data concerning industrial alcohol and other liquors. Special reports covering such items were also prepared for the information of such agencies.

Field Inspection Division.—This Division was organized to coordinate and supervise the various permissive and administrative activities in the 15 supervisory districts. Owing to emergency law and regulations to insure a sufficient supply of alcohol for war purposes, the duties of the Field Inspection Division have been considerably increased.

A group of specially trained field inspectors, operating directly from the Washington office, make frequent inspections of the field offices for the purpose of improving efficiency in the determination and collection of liquor taxes. During the year the inspection divisions of the various field offices were reorganized in the interest of efficiency in performing the additional work resulting from the war.

Administrative examination of applications, notices, bonds, consents of surety, plats, plans, and other documents filed in connection with new establishments, changes in premises and equipment, and discontinuances totaled 22,045. During the year 300 establishments were discontinued and 264 new establishments were approved.

Laboratory Division.—The Laboratory Division comprises a central laboratory in Washington, D. C., with 13 branch laboratories located throughout the country, and 1 branch in San Juan, P. R.

This Division performs all the chemical work for the Bureau of Internal Revenue and analyzes samples of narcotics submitted by officers of the Bureau of Narcotics. In the past year the Laboratory Division has been closely associated with the Defense Supplies Corporation, War Production Board, and the War Department relative to the specifications for alcohol used in war material, especially synthetic rubber.

During the year a shortage of denaturants for completely denatured alcohol was threatened because some of the compounds used are critical war materials. However, the War Production Board appreciated the necessity for protecting industrial alcohol from diversion to beverage purposes and made allocations which assure a sufficient supply of denaturants. One new denaturant, a byproduct from the manufacture of synthetic rubber, has been authorized.

Pursuant to a request from the Defense Supplies Corporation, samples are taken monthly from all tanks in which alcohol for the manufacture of synthetic rubber, explosives, etc., is stored and these samples are submitted to the nearest field laboratory for analysis. The reports of analyses are sent to the Washington Laboratory where a record of every tank is kept. After review, copies of the reports are sent to the Defense Supplies Corporation and the War Production Board. The information thus obtained is yielding valuable data con-

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cerning the quality of alcohol produced by different processes and the effects of storage.

Audit Division.—The Audit Division has general supervision over the work relating to the operation of registered distilleries, internal revenue bonded warehouses, rectifying plants, industrial alcohol plants, industrial alcohol bonded warehouses, denaturing plants, breweries, wineries, bonded wine storerooms, dealers in specially denatured alcohol, and users of tax-free alcohol. It conducts the tax accounting, assessment, claim and compromise functions of the Unit.

This Division also determines and lists assessments against persons engaging in illicit liquor traffic. It examines for allowance or rejection all claims for abatement or refund of taxes, and for the redemption of tax stamps and strip stamps, and recommends acceptance or rejection of offers in compromise of tax, forfeiture of seized property, or criminal liability.

At the beginning of the fiscal year there were on hand 265 offers in compromise aggregating $6,492 submitted in settlement of liabilities incurred in connection with internal revenue laws. During the year 5,573 offers amounting to $351,613 were received. Of the number to be disposed of, 103 were forwarded to the Department of Justice, 336 were returned to the district supervisors for further investigation, 4,351 offers aggregating $196,759 were allowed, and 363 offers totaling $42,389 were rejected, leaving 685 offers in the amount of $73,205 on hand at the end of the fiscal year.

At the beginning of the year no offers in compromise were on hand submitted in settlement of liabilities incurred in connection with the Federal Alcohol Administration Act. During the year, 97 offers amounting to $34,751 were received, 72 offers aggregating $12,371 were accepted, 11 offers in the amount of $5,830 were rejected, leaving 14 offers totaling $16,550 on hand at the end of the fiscal year.

Basic Permit and Trade Practice Division.—This Division is charged with administering the provisions of the Federal Alcohol Administration Act and regulations which have been issued thereunder. The broad purpose of the statute is the regulation of the conduct of the legitimate liquor industry.

The number of outstanding basic permits of all classes has continued to decrease, dropping from 14,796[r] in effect on July 1, 1942, to 13,547 on June 30, 1943.

The following table reflects the permit activities under the Federal Alcohol Administration Act during the year and the number of permits of each class in effect on June 30, 1943.

Permit activities, fiscal year 1943

	Wholesalers	Wine producers and blenders	Wine blenders	Distillers	Rectifiers	Warehousing and bottling	Importers	Total
In effect June 30, 1942	11,461	1,085	101	334	281	539	995	[1] 14,796
Issued during year	1,083	89	13	65	54	93	194	1,591
Terminated:								
Canceled	2,000	103	15	41	44	86	147	2,436
Automatically terminated	296	17	2	13	13	27	33	401
Revoked	1	1			1			3
Annulled								
In effect June 30, 1943	10,247	1,053	97	345	277	519	1,009	13,547
Amended during year	913	24	2	7	29	34	83	1,092

[1] Includes 101 wine blender's permits, not previously reported.

[r] Revised.

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Because of war conditions and general merchandise shortages, the volume of label applications received during the year declined to 76 percent of the volume received during the preceding year.

In the enforcement of the advertising regulations promulgated under the Federal Alcohol Administration Act, the Division reviewed 94,928 advertisements appearing in 21,091 periodicals, representing an increase over similar activities for the preceding year, and took appropriate regulatory action in 1,849 cases involving various types of irregularities. Four cases involving violations of the advertising provisions of the statute were closed by the acceptance of appropriate offers in compromise. Radio continuities, numbering 21,150, and 3,162 pieces of point-of-sale advertising material were also reviewed.

Enforcement Division.—The primary function of the Enforcement Division is the protection of the revenue. Its activities include the investigation, detection, and prevention of willful and fraudulent violations of the internal revenue laws relating to distilled spirits, wines, and fermented malt liquors.

During the year 5,654 illicit stills having an aggregate cubic capacity of 753,714 gallons [1] were seized, and in connection therewith 1,700,406 gallons of mash were seized and destroyed. There were 10,061 persons arrested for Federal liquor law violations. Investigators also seized 46,380 gallons of illicit spirits and 1,086 automobiles and trucks. The total appraised value of the property seized was $922,303. In addition, 261,590 gallons of liquors valued at $2,190,961 were seized for evasion of the floor stocks tax under the Revenue Act of 1942. There were 4,062 floor stocks tax cases completed and the sum of $2,589,757 in taxes and penalties was recommended for assessment in these cases.

In the enforcement of the Liquor Enforcement Act of 1936, relating to the introduction of tax-paid spirits into dry States, 153 vehicles and 5,619 gallons of tax-paid liquor were seized, and 234 persons were arrested. During the year, 197 persons were indicted and 193 defendants were convicted in cases under the act.

During the fiscal year 10,148 persons were recommended for prosecution in Federal courts in Alcohol Tax Unit cases, a decrease of 10,071 as compared with the previous year; 8,161 persons were indicted, 7,736 defendants were convicted, and, as of June 30, 1943, there were 6,402 persons awaiting grand jury or trial action for liquor violations, a decrease of 3,375 from June 30,1942.

There were fewer seizures and arrests during the year than in the previous year. The decrease can be attributed largely to wartime restrictions including rationing of sugar, gasoline, tires, and other strategic materials.

During the year 156 applications for pardon and 1,709 applications for parole were examined and reports submitted.

Accounts and Collections Unit

The Accounts and Collections Unit is the central administrative organization for the 64 internal revenue collection districts and makes the administrative audit of all expenditures for the Internal Revenue

[1] Represents the cubic capacity of still pots and cookers. Column stills which operate without a still pot or cooker are not reflected in this total. The size of illicit stills is reflected more properly by the mash facilities. The cubic measurement of the mash fermenters of all the illicit stills seized during the fiscal year was 2,949,400 gallons.

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Service. The Unit also administers the employment taxes imposed under Chapter 9 of the Internal Revenue Code, the taxes under Subchapter A (Federal Insurance Contributions Act) being with respect to employment by others than carriers, Subchapter B with respect to employment by carriers, and Subchapter C (Federal Unemployment Tax Act) with respect to the tax on employers of eight or more.

There were 57,298,994 tax returns filed in collectors' offices during the fiscal year 1943, an increase of 12,547,248 over the previous year. Of the total returns filed, 40,507,314 were income and excess profits tax returns, an increase of 12,734,235 during the year.

During the fiscal year 209,846 income tax, 145,447 miscellaneous tax, and 684,715 employment tax returns were investigated by field deputy collectors, and 5,224,500 information returns were verified. At the close of business June 30, 1943, there were outstanding in the 64 collection districts 60,284 income tax returns, and 6,313,407 information returns were on hand.

Deputy collectors of internal revenue served 618,739 warrants for distraint, which resulted in the collection of $73,127,375. An average of 6,395 deputy collectors made 3,301,745 revenue-producing investigations, including the serving of warrants for distraint, compared with 2,873,404 revenue-producing investigations made by an average of 4,720 deputy collectors in the preceding year. The total amount collected and reported for assessment by deputy collectors was $150,643,949, compared with $113,794,106 in the previous year. The average number of investigations made per deputy and the average amount of tax collected and reported for assessment were 516 and $23,557, respectively, compared with 609 and $24,109, respectively, in 1942. There were 250,477 warrants for distraint in custody in the collectors' field forces on June 30, 1943, as compared with 174,840 on hand June 30, 1942.

A total of 16,529,206,905 revenue stamps, valued at $3,122,024,388, was issued to collectors of internal revenue and the Postmaster General during the year, compared with 15,642,869,033 stamps valued at $3,107,143,869 issued during 1942. Revenue stamps returned by collectors of internal revenue and by the Postmaster General, and credited to their account, amounted to $757,855,563. There were 191 applications allowed for restamping packages on which the original stamps had been lost, mutilated, or destroyed, compared with 231 applications in the preceding year.

The Disbursement Accounting Division administratively examined and recorded 1,548 monthly accounts, comprising 154,691 vouchers, of collectors of internal revenue, internal revenue agents in charge, technical staff divisions, and district supervisors, including the San Juan, P. R., branch of the District of Maryland, and the Honolulu, T. H., branch of the San Francisco Alcohol Tax District No. 14. In addition, 4,932 expense vouchers of employees and 25,412 vouchers covering passenger and freight transportation and miscellaneous expenses were audited and passed to the Chief Disbursing Officer, Treasury Department, or the General Accounting Office for payment.

Taxes under the Federal Insurance Contributions Act.—Collections of taxes imposed under the Federal Insurance Contributions Act amounted to $1,131,546,129 for 1943, as compared with $895,335,861 for 1942, an increase of $236,210,268. These amounts include both

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the employees' tax and the employers' tax each of which was imposed at the rate of 1 percent of taxable wages paid. Returns under the act are required on a quarterly basis, 8,939,225 being filed during the fiscal year 1943, as compared with 9,470,856 filed in the preceding year.

The following table sets forth information relative to claims disposed of under the Federal Insurance Contributions Act and/or Title VIII of the Social Security Act.

Claims under the Federal Insurance Contributions Act and/or Title VIII of the Social Security Act received and disposed of, fiscal year 1943

Claims	Under section 1401(d) of the Federal Insurance Contributions Act	All other
	Number	
Pending July 1, 1942	6,463	4,159
Received during year	50,758	14,445
Total to be disposed of	57,221	18,604
Allowed in full or in part	39,291	11,479
Rejected	487	2,775
Canceled	32	152
Total disposed of	39,810	14,406
Pending June 30, 1943	17,411	4,198
Certificates of allowance issued when no claims were filed		1,316
	Amount	
Overassessments settled by—		
Abatement		$1,070,939
Credit		492,520
Refund	$863,505	493,132
Total		2,056,591
Interest		48,309
Grand total	863,505	2,104,900

Under the provisions of section 1401(d) of the Federal Insurance Contributions Act and subject to the conditions therein specified, an employee performing services for more than one employer during a calendar year may obtain a refund of the amount of employee's tax deducted from his wages and paid to the collector which is in excess of the tax on the first $3,000 of such wages.

The following table shows the status of the offers in compromise submitted in settlement of liabilities incurred under the Federal Insurance Contributions Act and/or Title VIII of the Social Security Act.

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Offers in compromise under the Federal Insurance Contributions Act and/or Title VIII of the Social Security Act received and disposed of, fiscal year 1943

Offers in compromise	Number of offers	Amount offered	Liability involved
Pending July 1, 1942	664	$113,194	$329,822
Received during year	1,235	214,135	568,662
Total to be disposed of	1,899	327,329	898,484
Accepted	926	132,081	285,187
Rejected	208	32,895	150,311
Withdrawn	46	6,079	21,702
Terminated by default	25	1,349	13,350
Total disposed of	1,205	172,404	470,550
Pending June 30, 1943	694	154,925	427,934

Tax under the Federal Unemployment Tax Act.—The tax under the Federal Unemployment Tax Act is imposed on employers of eight or more. The rate is 3 percent on taxable wages paid during 1942 with respect to employment. Collections during 1943 amounted to $156,007,662, an increase of $36,390,694 over 1942. Returns are required on an annual basis, 397,595 being filed during 1943, as compared with 417,647 filed during the preceding year.

Data on the returns, revenue agents' reports, claims, and offers in compromise in connection with the tax under the Federal Unemployment Tax Act are shown in the following tables.

Number of Federal unemployment tax returns received, reopened, and disposed of, fiscal year 1943

Returns:	*Number*
Pending July 1, 1942	411,133
Received during year	397,595
Reopened during year	25,966
Total to be disposed of	834,694
Closed	415,694
Pending June 30, 1943	419,000

Number of revenue agents' reports received and disposed of, fiscal year 1943

Reports:	*Number*
Pending July 1, 1942	695
Received during year	3,427
Total to be disposed of	4,122
Closed:	
No change in tax liability	793
Deficiencies in tax	2,521
Overassessments	523
Total	3,837
Pending June 30, 1943	285

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Claims under the Federal Unemployment Tax Act and/or Title IX of the Social Security Act received and disposed of, fiscal year 1943

Claims:	Number
Pending July 1, 1942	10,191
Received during year	17,853
Total to be disposed of	28,044
Allowed in full or in part	15,820
Rejected	5,428
Canceled	115
Total	21,363
Pending June 30, 1943	6,681
Certificates of overassessment and certificates of allowance issued when no claims were filed	4,304
Overassessments settled by—	Amount
Abatement	$3,215,118
Credit	73,749
Refund	1,434,933
Total	4,723,800
Interest	57,989
Grand total	4,781,789

Offers in compromise under the Federal Unemployment Tax Act and/or Title IX of the Social Security Act received and disposed of, fiscal year 1943

Offers in compromise	Number of offers	Amount offered	Liability involved
Pending July 1, 1942	498	$72,382	$576,951
Received during year	1,352	194,367	1,235,872
Total to be disposed of	1,850	266,749	1,812,823
Accepted	731	83,319	539,491
Rejected	373	72,571	430,858
Withdrawn	34	5,057	19,903
Terminated by default	9	269	4,545
Total disposed of	1,147	161,216	994,797
Pending June 30, 1943	703	105,533	818,026

Carriers taxes.—Collections of carriers taxes under Chapter 9, Subchapter B, of the Internal Revenue Code aggregated $211,151,243 for the fiscal year 1943, an increase of $40,742,229 over 1942. The amount for 1943 includes $211,103,522 of collections from the employers' tax and the employees' tax, both of which were imposed at the rate of 3 percent of the taxable compensation earned during 1942, and at the rate of 3¼ percent for 1943; collection of the employee representatives' tax for 1943, which was imposed at the rate of 6 percent of the taxable compensation earned during 1942, and at the rate of 6½ percent for 1943, amounted to $47,721, as compared with $13,767 for the previous year, an increase of $33,954. Returns are required on a quarterly basis, 31,261 being filed by employers, an increase of 307, and 1,773 being filed by employee representatives, an increase of 190 over the previous year.

The following table sets forth information relative to claims disposed of under Chapter 9, Subchapter B, Internal Revenue Code, and/or the Carriers Taxing Act of 1937.

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Claims under Chapter 9, Subchapter B, Internal Revenue Code, and/or the Carriers Taxing Act of 1937 received and disposed of, fiscal year 1943

Claims:	*Number*
Pending July 1, 1942	49
Received during year	235
Total to be disposed of	284
Allowed in full or in part	92
Rejected	72
Canceled	26
Total disposed of	190
Pending June 30, 1943	94
Certificates of allowance issued when no claims were filed	2
Overassessments settled by—	*Amount*
Abatement	$546,893
Credit	26,454
Refund	4,804
Total	578,151
Interest	93
Grand total	578,244

Technical Staff

The Technical Staff is the appellate agency within the Bureau of Internal Revenue for the determination of income, profits, estate, and gift tax liability in contested cases. The Staff organization comprises an administrative office in Washington and 10 field divisions with 36 local offices. The heads of these divisions have exclusive authority to act as representatives of the Commissioner of Internal Revenue within their territorial jurisdiction (*a*) to determine tax liability in contested cases not before The Tax Court of the United States, and (*b*) to settle by stipulation, with the concurrence of division counsel, cases docketed by The Tax Court. The Staff considers certain offers in compromise of tax liability and applications for extensions of time for payment of income taxes, and also reviews for the Commissioner final closing agreements under section 3760 of the Internal Revenue Code.

A brief analysis of the work of the Staff field divisions is shown in the following table.

Analysis of the work of all field divisions of the Technical Staff, fiscal year 1943

Cases	Docketed cases	Nondocketed cases
On hand July 1, 1942	4,128	[1] 3,220
Received (transfers, etc., deducted) during year	3,432	6,730
Total to be disposed of	7,560	9,950
Closed by stipulation or agreement	2,780	3,661
Dismissals and defaults	163	630
Unagreed cases submitted to The Tax Court	1,138	
Cases appealed to The Tax Court		1,390
Unagreed action on overassessment and claims cases		249
Total disposed of	4,081	5,930
On hand June 30, 1943	3,479	[2] 4,020

[1] Includes 620 cases awaiting taxpayers' action on statutory notices directed or sustained.
[2] Includes 588 cases awaiting taxpayers' action on statutory notices directed or sustained.

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The nondocketed cases disposed of by agreement, by default, and by unagreed action on claims, involved proposed deficiencies in tax and penalties aggregating $63,794,088, and tentatively determined overassessments of $3,230,645. The deficiencies and penalties agreed to amounted to $21,696,405, and overassessments of $2,476,829 were allowed. Defaults totaled $5,163,267 in tax and penalties, with $223,239 in overassessments. In addition, overassessments were allowed in unagreed claims cases aggregating $233,139. The increase in inventory of nondocketed cases is due to delay brought about by the retroactive provisions of the Revenue Act of 1942, and to an unusual increase in receipts during the last four months of the fiscal year.

The docketed cases closed by stipulation involved asserted deficiencies in tax and penalties amounting to $76,245,539 and overassessments of $785,535 for other years or in associated cases. The amount agreed to consisted of $28,123,112 in tax and penalties and $920,880 in overassessments.

An analysis of the work of the Staff on compromise, extension of time, and closing agreement cases is shown in the following table.

Analysis of the work of the Technical Staff on compromise, extension of time, and final closing agreement cases, fiscal year 1943

Cases	Compromise cases	Extension of time cases	Final closing agreement cases
On hand July 1, 1942	568	3	26
Received (net) during year	947	98	280
Total to be disposed of	1,515	101	306
Accepted, granted, or approved	543	12	265
Rejected	351	83	36
Withdrawn	142		
Transferred	26		
Total disposed of	1,062	95	301
On hand June 30, 1943	453	6	5

Office of the Chief Counsel

The activities of the Office of the Chief Counsel for the Bureau of Internal Revenue include the defense of all Federal tax cases appealed to The Tax Court of the United States; the review of refunds, credits, and abatements in excess of $20,000; consideration of various administrative and internal revenue tax matters referred to that office by the Secretary, the Under Secretary, an Assistant Secretary of the Treasury, the General Counsel for the Department of the Treasury, the Commissioner, the Assistant Commissioners, the heads of units of the Bureau, collectors of internal revenue, and other branches of the Department. They include also the preparation, at the request of the Department of Justice or of the United States attorneys, of data for use in the prosecution or defense of tax cases (civil and criminal) in suit, and compliance with requests for assistance in such cases; and the preparation, revision, and review of regulations, Treasury decisions, mimeographs, and rulings for the guidance of the officers and employees of the Bureau of Internal Revenue and others con-

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cerned. The office is made up of the Chief Counsel's Committee, the Engineers and Auditors Section, and eight divisions, viz: Alcohol Tax, Appeals, Civil, Claims, Interpretative, Legislation and Regulations, Penal, and Review.

Chief Counsel's Committee.—The Committee, consisting of three members, serves in an advisory capacity to the Chief Counsel and to members of his immediate staff, who refer to the Committee cases from all divisions of the Office. The Committee considers these cases and makes written recommendations as to their proper disposition. The Committee is also charged with the final review of cases involving compromises and closing agreements, previous to their being sent to the Secretary of the Treasury for his approval, and with the consideration of claims for reward under section 3463 of the Revised Statutes and section 3792 of the Internal Revenue Code. The reward claims work and personnel were transferred from the Penal Division to the Chief Counsel's Committee on July 1, 1942. At the beginning of the fiscal year 1943 the Committee had on hand (exclusive of reward claims) 16 cases; during the year it received 3,379 and closed 3,354, leaving 41 cases pending at the close of the year. On July 1, 1942, there were on hand 547 claims for reward for information relative to violations of internal revenue laws; 219 claims were presented or reopened during the year; 233 were disposed of, leaving 533 pending on June 30, 1943. Of the claims disposed of, 72 were allowed and paid in a total sum of $78,012. The claims pending at the end of the year are awaiting the closing of the tax cases to which they relate, the receipt of recommendations of the field officers of the Bureau, or administrative action in Washington.

Alcohol Tax Division.—This Division performs the legal work arising in connection with the administration and enforcement of the internal revenue liquor laws. The work includes the preparation of opinions and briefs relating to assessment, collection, abatement, and refund of liquor taxes and penalties; compromise of civil and criminal liabilities; and the remission or mitigation of forfeitures. The Division prepares citations to revoke industrial and denatured alcohol permits, conducts permit hearings, and reviews revocation records, and performs similar work in connection with the issuance, suspension, and revocation of permits under the Federal Alcohol Administration Act. It assists the Department of Justice in connection with civil and criminal cases arising under the internal revenue liquor laws and the Federal Alcohol Administration Act; gives legal advice to the Deputy Commissioner of Internal Revenue in charge of the Alcohol Tax Unit, district supervisors, and other officials on questions involving interpretation or construction of said laws; and reviews all correspondence prepared in the Alcohol Tax Unit involving legal questions.

Work performed by this Division, in Washington and in the field, during the fiscal year included preparation of 5,911 memoranda, 262 briefs, 5,335 opinions, 98 libels, and 21 indictments. Review work included 2,923 case reports, 84 claims of over $5,000 each, and 5,025 compromise cases. In addition, 211 petitions for remission or mitigation of forfeiture were examined and finally passed upon.

Appeals Division.—This Division has charge of all cases involving income, excess profits, unjust enrichment, estate, and gift taxes pending before The Tax Court of the United States. Counsel assigned to the various field offices, which were created under the decentralization

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program of the Bureau of Internal Revenue, prepare answers to petitions filed with The Tax Court of the United States and advise the various Staff divisions upon legal questions arising in the determination of income, profits, estate, and gift tax liability. All proposed settlements are concurred in by counsel. Counsel also have exclusive authority to represent the Commissioner of Internal Revenue in the defense of all cases set for hearing before The Tax Court of the United States.

This Division also has a general supervision of the preparation of the contents of the records on review in all cases wherein are filed petitions for review by the United States Circuit Courts of Appeals of final decisions of The Tax Court of the United States. In such proceedings, where the Commissioner of Internal Revenue is petitioner, this duty is performed in the Division subject to approval by the Department of Justice; in cases where a taxpayer is petitioner, the Division has sole charge of the preparation of the record.

Of the appeals taken to The Tax Court of the United States, 4,730 were closed during the year. The methods by which such cases were closed are as follows:

Character of closing	Number of cases	Amount in dispute	Amount won	Percentage of recovery
	Washington office			
Default	1	$1,476	$20	1.4
Decision on merits	549	37,315,619	17,994,685	48.2
Agreed settlement	8	10,408,657	1,267,379	12.2
Total, Washington office	558	47,725,752	19,262,084	40.4
	Field offices			
Default	163	$2,139,842	$2,133,361	99.7
Decision on merits	1,229	26,894,767	11,471,841	42.7
Agreed settlement	2,780	79,881,046	31,440,207	39.4
Total, field offices	4,172	108,915,655	45,045,409	41.4
Grand total	4,730	156,641,407	64,307,493	41.1

Civil Division.—The work of this Division includes the preparation of statements of fact for the Department of Justice in all actions brought by taxpayers to recover taxes and for injunctions in the Federal courts, which statements set forth the position of the Bureau on the issues involved and contain references to applicable sections of the revenue acts, regulations, and decisions of the courts. The Division also assembles the evidence, obtains witnesses, and assists at the trial of cases when requested by the Department of Justice; prepares recommendations for or against the institution of suits in connection with claims of the Government against taxpayers, transferees, bonding companies, and others; and, when suits are recommended, prepares statements for the Department of Justice similar to those in actions brought by taxpayers. Stipulations of facts for the use of the Department of Justice and for submission to the courts in actions in the district courts and in the Court of Claims are examined and approved, modified, disapproved, or new stipulations prepared; and the Division makes recommendations for or against an appeal from

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adverse judgments of district courts and for or against applications to the Supreme Court for writs of certiorari in cases of adverse decisions rendered by the circuit courts of appeals and the Court of Claims. The Division makes recommendations for or against acceptance of offers submitted for settlement or compromise of cases pending in court. It also handles all cases in which liens for taxes are involved in mortgage foreclosure actions pending in Federal and State courts, and considers all applications for the release of Federal tax liens and the discharge of property from such liens which is permissible under sections 3673, 3674, 3675, 3676, and 3677 of the Internal Revenue Code.

During the year the Division closed 900 civil cases in which the amount claimed was $16,658,613; refunds aggregating $6,139,434 and collections amounting to $3,751,840 were made. There were also closed 1,093 cases involving liens in which $321,321 was collected.

Claims Division.—This Division is comprised of four sections, viz: Processing Tax, Reorganization, Bankruptcy and Receivership, and Compromise.

The Processing Tax Section has jurisdiction over all matters involving processing, floor stocks, compensating, and custom processing taxes, as well as over unjust enrichment tax matters not within the jurisdiction of any decentralized office. It represented the Commissioner of Internal Revenue in all cases before the United States Processing Tax Board of Review involving refunds of amounts collected under the Agricultural Adjustment Act, as amended, until December 31, 1942, when the Board was abolished and its jurisdiction and functions were transferred to The Tax Court of the United States in accordance with the provisions of section 510 of the Revenue Act of 1942. Since the Board's abolition the Processing Tax Section represents the Commissioner in all cases before The Tax Court of the United States involving refunds of amounts collected under the Agricultural Adjustment Act, as amended. The Section has the same jurisdiction and duties in matters involving Titles III, IV, and VII of the Revenue Act of 1936 as have the Civil, Interpretative, Legislation and Regulations, and Review Divisions, and the Reorganization Section and Bankruptcy and Receivership Section of the Claims Division with respect to questions involving income, excess profits, capital stock, estate, and miscellaneous taxes. The Section prepares records on review in all cases wherein the Commissioner files petitions for review by the United States Circuit Courts of Appeals of final decisions of The Tax Court of the United States involving refunds of amounts collected under the Agricultural Adjustment Act, as amended. In cases involving such refunds, in which petitions for review are filed by taxpayers, the records are subject to the approval of this Section. During the year the Section closed 32 processing tax appeals involving $3,782,081, of which $369,814 was recovered by claimants; and reviewed cases involving 158 claims for refund of amounts paid as processing and floor stocks taxes and unjust enrichment tax deficiencies in the aggregate amount of $55,019,847.

The Reorganization Section is charged with the duty of protecting the interests and claims of the United States in proceedings instituted under sections 77, 77B, Chapters X and XV of the National Bankruptcy Act, as amended, and arrangement proceedings under Chapters XI, XII, and XIII of the act. In 1,117 corporate reorganization and

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arrangement cases closed by the Section during the year, Government claims in the amount of $5,252,673 were settled for $1,436,338.

The Bankruptcy and Receivership Section performs all legal work incident to the protection of the interests and claims of the United States in bankruptcy and receivership proceedings. In 4,367 bankruptcy and receivership cases disposed of by the Section in 1943, the sum of $1,779,715 was realized on revenue claims amounting to $5,592,099.

The Compromise Section is charged with the prosecution of claims filed by collectors against the estates of deceased taxpayers, against insolvent banks, and in liquidation proceedings, including assignments for the benefit of creditors. At the request of the Department of Justice, the Section assists in trials involving the aforementioned types of claims. The Section disposed of 2,558 cases against estates of deceased taxpayers, insolvent banks, and in liquidation proceedings, the total payments received being $3,772,072.

Interpretative Division.—The functions of this Division consist of the preparation of letters and memoranda, for the signature of the Head of the Division, the Chief Counsel, the Commissioner, or the Secretary, interpreting internal revenue statutes; the review of all correspondence, for the signature of the Commissioner or of the Secretary or of an official of his office, containing a ruling or opinion regarding internal revenue laws prepared in the administrative units of the Bureau and routed through the Chief Counsel's office for approval; assisting in the preparation and review of briefs to be filed with The Tax Court of the United States in key cases; reviewing actions on decisions in special cases; reviewing closing agreements covering proposed transactions; editing the material submitted for publication in the Internal Revenue Bulletin; and the preparation of opinions and rulings in special cases assigned by the Chief Counsel. Members of this Division also participate in conferences with taxpayers when so requested by the administrative branches and units of the Bureau of Internal Revenue or by other divisions of the Chief Counsel's office.

Included in this Division is the Digest Section, the functions of which are to preserve, digest, and make readily available to the members of the Chief Counsel's staff all opinions, rulings, and other documents which have been prepared or reviewed by the Chief Counsel's Office.

The Division began the year with 278 cases on hand, received 2,346, and disposed of 2,299, leaving 325 cases on hand at the close of the year.

Legislation and Regulations Division.—The regulations issued under the internal revenue laws, including tax conventions with foreign countries, and the reports on legislation introduced in the Congress affecting the internal revenue, except such as relate to taxes on alcoholic beverages, are prepared or reviewed in this Division. In addition, the Division assisted in the preparation of regulations relating to the stabilization and limitation of salaries, authority over which was lodged in the Commissioner of Internal Revenue by the Economic Stabilization Director under the general regulations relating to wages and salaries promulgated on October 27, 1942, by the Director with the approval of the President. The Division also considers suggestions for amendments of and additions to the various internal revenue laws, and prepares reports thereon for the consideration of the Commissioner and

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the General Counsel. It participates in the preparation of income tax forms and assists in the drafting of tax conventions.

Penal Division.—The Penal Division deals with practically all classes of internal revenue tax cases when criminal liability is alleged, including among others income and profits, miscellaneous, and social security tax cases; considers offers in compromise of liability where criminal proceedings have been instituted or recommendations for prosecution have been made to the Bureau or by the Bureau to the Department of Justice, and prepares opinions construing the criminal and percentage penalty statutes. It also prepares opinions as to whether cases closed by agreement under section 606 of the Revenue Act of 1928, and similar provisions of other revenue acts and the Internal Revenue Code, should be reopened because of "fraud or malfeasance, or misrepresentation of a material fact." Whenever requested by the Department of Justice, assistance is rendered by this Division in the prosecution of criminal cases.

At the beginning of the fiscal year, 1,484 cases were pending in the Penal Division; during the year 535 new cases were received, 859 cases were closed, and 545 claims for reward were transferred to the Chief Counsel's Committee, leaving 615 cases pending on June 30, 1943.

Review Division.—This Division reviews overassessments of income, excess profits, war profits, estate, gift, and miscellaneous taxes proposed for allowance (also deficiencies when coupled with overassessments), where the amount of the overassessments in any case exceeds $20,000, and proposed refunds or credits of any tax in excess of $20,000. It prepares the reports to the Joint Committee on Internal Revenue Taxation required by section 3777 of the Internal Revenue Code, where the overpayments of income, excess profits, war profits, estate, or gift taxes exceed $75,000, and prepares public decisions where the overassessments exceed $20,000. It also examines and reviews special cases referred to it by the Chief Counsel for the Bureau.

During the year the Division received and disposed of cases as follows:

Cases	Estate and other miscellaneous taxes	Income tax	Total
On hand July 1, 1942	19	72	91
Received during year	67	626	693
Total	86	698	784
Disposed of during year	71	495	566
On hand June 30, 1943	15	203	218
Amounts involved:			
Claimed by taxpayers	$5,917,753.30	$44,668,821.63	$50,586,574.93
Approved by Review Division	3,762,243.48	31,386,422.46	35,148,665.94

Engineers and Auditors Section.—The Engineers and Auditors Section, consisting of a group of engineers, accountants and auditors, operating directly under the Chief Counsel, furnishes technical advice and assistance to the respective divisions, particularly in litigated cases, and to the Department of Justice, in connection with cases involving engineering and auditing problems, principally in the field of valuation. During the year the Section rendered such assistance in 173 cases.

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In addition to the above work, the office also gave legal advice and assistance to the Deputy Commissioner of the Salary Stabilization Unit, Regional Office Heads, and other officials on questions involving the interpretation and construction of the act of October 2, 1942 (Public Law No. 729), as amended, and the Wages and Salaries Regulations of the Director of Economic Stabilization, promulgated with the approval of the President October 27, 1942, which regulations conferred authority upon the Commissioner of Internal Revenue to administer the provisions thereof relating to the stabilization of certain salaries. The legal work performed in connection with the administration and enforcement of the act and regulations included the preparation of memoranda and opinions relating to the act, the review of letters involving legal questions, and the preparation of letters for the signature of the Commissioner and the Deputy Commissioner. Of the 4,669 cases received since adoption of the act, 4,225 were disposed of, leaving 444 cases pending at the close of the year.

Intelligence Unit

The Intelligence Unit is principally concerned with the investigation of tax fraud cases in cooperation with internal revenue agents and deputy collectors. During the year, 984 investigations were made of alleged evasion of income and miscellaneous taxes, and of this number, 255 cases, involving 446 individuals, were recommended for prosecution. On this charge there were convictions of 92 individuals and 3 acquittals. Investigations of these cases resulted in recommendation for assessment of additional taxes and penalties amounting to $56,444,955.

In addition to collections by the Bureau of Internal Revenue of taxes, penalties, and interest, amounts are covered into the Treasury as a result of fines imposed in criminal cases. In some jurisdictions the courts have imposed an additional penalty by requiring the defendants to pay the costs of the investigations, that is, the salaries and expenses of the agents during investigations.

There were 2,404 investigations of applications of attorneys and agents to practice before the Treasury Department and 75 investigations of charges against enrolled agents and attorneys, resulting in the disbarment of 9, the reprimand of 1, and the rejection of applications of 5.

The investigations in 95 cases of charges against employees of the Bureau of Internal Revenue resulted in the separation from the Service of 70 employees. Criminal proceedings were instituted against 23, and of the 17 brought to trial during the fiscal year, 15 were convicted. There were also 5,688 cases of a miscellaneous character investigated.

Salary Stabilization Unit

The Salary Stabilization Unit, under the supervision of a deputy commissioner, was created by Treasury Decision 5176, dated October 29, 1942, to administer the provisions of the regulations prescribed by the Economic Stabilization Director under the act of October 2, 1942 (Public Law 729), and Executive Order No. 9250, dated October 3, 1942, relating to all salaries in excess of $5,000 per annum, and of executive, administrative, and professional salaries where the rates were in excess of $30 a week and $200 a month, respectively, and the

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positions were not represented by a certified labor organization. The regulations directed that levels of compensation were to be stabilized as of the level existing on September 15, 1942, except in cases where gross inequities existed, and increases were to be approved only in the case of merit, promotion, length of service, increased productivity under incentive plans, or the operation of a trainee system, all in accordance with the terms of a salary rate schedule or a policy in effect prior to October 3, 1942.

In keeping with the decentralization plan of the Bureau of Internal Revenue, the United States was divided into thirteen regional districts, each in charge of a regional head with authority to make rulings subject to review by the office of the deputy commissioner. The Unit is charged with the issuance of rulings with reference to increases in compensation, which generally are salary adjustments or bonus or commission payments.

The requests for decisions and the actions taken from the inception of the Unit on October 29, 1942, through June 30, 1943, were as follows:

Subject	Requests received	Rulings issued	Requests on hand June 30, 1943
Salary adjustments	72,526	56,045	16,481
Bonus payments	17,995	16,579	1,416
Salary rate schedules	5,384	4,459	925
Total	95,905	77,083	18,822

A detailed discussion of the stabilization and limitation of salaries appears on pages 129 to 132 of this report.

LEGAL DIVISION

The General Counsel, chief law officer of the Department and in charge of all legal activities thereof, heads a Legal Division composed of the Office of the General Counsel and the legal staffs in all branches of the Department. Wartime problems have caused a further expansion in the work of this Division over that of last year.

Taxation.—The Division handled 4,730 income, excess profits, unjust enrichment, estate, and gift tax appeals involving $156,641,407 and recoveries of $64,307,493; closed 32 processing tax appeals involving $3,782,081, of which $369,814 was recovered by claimants; disposed of 2,558 cases against estates of deceased taxpayers, insolvent banks, and in liquidation proceedings, the total payments received being $3,772,072; disposed of 900 civil, 1,093 lien, and 859 criminal cases; handled 233 claims for reward under section 3792 of the Internal Revenue Code, reviewed 566 claimed overassessments of income, excess profits, war profits, gift, and other taxes, approving refunds in the amount of $35,148,666, and reviewed cases involving 158 claims for refund of amounts paid as processing and floor stocks taxes and unjust enrichment tax deficiencies in the aggregate amount of $55,019,847; and disposed of 3,329 cases involving compromises and closing agreements. In 1,117 corporate reorganization and arrangement cases closed under sections 77 and 77B and Chapters X, XI, XII, XIII, and XV of the National Bankruptcy Act, as amended, claims in the amount

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of $5,252,673 were settled for $1,436,338. In 4,367 bankruptcy and receivership cases disposed of during the year the sum of $1,779,715 was collected on claims amounting to $5,592,099. In connection with the administration and enforcement of the internal revenue liquor laws, the Division prepared or reviewed 5,911 memoranda, 262 briefs, 5,335 opinions, 98 libels, 29 indictments, 2,923 case reports, 84 claims of over $5,000 each, 5,025 compromise cases, and 785 petitions for remission and mitigation of forfeiture. The Division drafted numerous regulations under the internal revenue laws, and assisted in drafting tax conventions with foreign countries and a large number of reports on legislation introduced in the Congress affecting the internal revenue. Legal opinions on interpretative questions arising under the internal revenue laws were rendered. In addition, 4,225 cases arising under the salary stabilization regulations received attention.

Customs.—The Division considered the disposition of property salvaged from torpedoed or wrecked vessels, and the admission into the United States free of duty during the war of merchandise such as that certified to be classified as purchases of emergency war material, the effects of persons in the Government service or persons evacuated to this country by Government order, and articles for members of the armed forces of the United Nations or for enemy prisoners of war. The Division has cooperated with the Assistant Attorney General in charge of customs litigation by preparing legal material for use in the trials of customs cases and by conducting research and making recommendations regarding the taking of appeals. The Division participated in the consideration by the Foreign-Trade Zones Board of applications for the establishment of new zones, and in war-time changes in location of existing foreign-trade zone territory. A considerable amount of work was done during the year on a complete revision of the customs regulations, issued as the Customs Regulations of 1943, and the Customs Manual.

Foreign Funds Control program.—In connection with the Allied invasion of Africa, the Division, both here and in the field, handled legal problems relating to money, banking, finance, and financial and property controls in that area, participated in interdepartmental discussions on matters of policy and evolved fiscal and monetary procedures and economic measures, based on exhaustive studies of local conditions, which might be put into effect in other Allied-occupied areas.

The Division prepared many public documents and interpretations and assisted generally in developing programs of action to prevent the Axis from deriving gain through the financial and commercial facilities of the United States. The Division also prepared numerous criminal reports with respect to violations of the freezing order and regulations and assisted the Department of Justice in preparing briefs in civil and criminal cases involving freezing control. The Division cooperated with the Treasury administrative staff, the Department of State, and the Board of Economic Warfare in studying methods of fulfilling and implementing the resolutions adopted at the Inter-American Conference on Economic and Financial Controls, 1942, and in consulting with the other participating governments in financial control problems of mutual concern.

Monetary.—The Division prepared contracts leasing free silver for use in war projects, studied proposed legislation through which silver

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stocks would be made available for war purposes, prepared opinions relative to coinage, and handled legal questions involving monetary and industrial transactions in gold and silver, the acquisition by the United States of monetary metals, and transactions in gold and foreign exchange with foreign governments and foreign central banks. The Division also drafted a number of stabilization agreements and other international monetary arrangements, and did other legal work in connection with the stabilization of the exchange value of the dollar.

Public debt.—The transfer of the bulk of the administrative work on savings bonds to Chicago in June, 1942, necessitated the establishment of a branch of the Legal Division in Chicago. That office handled upwards of 13,000 cases during the past fiscal year, and the volume of work has sharply increased in the past few months. The issue of several new types of securities has presented questions of complexity in connection with the drafting of regulations, issue circulars, texts and forms. Litigation, particularly in regard to savings bonds, was active, and the Division worked in close cooperation with the Department of Justice on those cases.

Procurement.—Under the lend-lease program, the Division passed upon the legality of, or upon legal questions arising under, lend-lease contracts involving the purchase of $1,590,501,536 worth of supplies covering 24,643 contracts. Some of the legal problems arising out of that enormous number of contracts concern the preparation and interpretation of advance payment bonds and special contract provisions connected therewith; negotiation and preparation of license agreements for the use of patents; preparation of special contracts, amendments to contracts, and orders of the Director of Procurement; the handling of cases involving readjustment of patent royalties under the act of October 31, 1942 (56 Stat. 1013); and, passing upon issuance of tax exemption certificates and claims for drawback of customs duties.

The Division took an active part, together with the Army, Navy, and Maritime Commission, in renegotiating war contracts and brokers' fees. Assistance was given in the preparation of the joint statement of principles governing procedure for the renegotiation of contracts.

The Division furnished advice in connection with the award, execution, and performance of contracts for general Government procurement; approved performance and advance payment bonds in connection with such contracts; prepared regulations requiring use of standard contract forms and standardization of purchase order forms by all departments and establishments of the Government; and rendered services in connection with the approval of deviations from various standard contract forms.

Accounts.—Problems relating to the acceptance, under Title XI of the Second War Powers Act, 1942, of conditional gifts to the United States for the furtherance of the war program and to the handling of securities and gold bullion taken from the Philippine Islands were of importance in the Division's activities. The Division assisted in the drafting of regulations issued pursuant to the Current Tax Payment Act of 1943, which provide for the payment by employers through depositary banks of funds withheld as taxes.

Legislation.—Twenty-four legislative proposals considered desirable for the efficient functioning of the Department were prepared. Representatives of the Division frequently appeared before Congressional committees to furnish technical assistance and to explain the purpose,

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effect, and legality of legislation affecting the Department and furnished other technical assistance to such committees. Assistance was rendered in the preparation of approximately 292 reports on legislation and in drafting numerous Executive orders and proclamations.

Legal opinions.—The Division prepared 31 formal opinions and many informal opinions, studies, and memoranda for the guidance of the administrative officers of the Department. An exhaustive compilation of Federal statutes and Executive orders relating to Government contracts, comprehensively indexed, was prepared.

Claims by and against the United States.—The Division handled 200 petitions for remission or mitigation of penalties and forfeitures under the customs and narcotics laws, and 300 offers in compromise involving registrants under the narcotic laws. Action was taken on approximately 54 miscellaneous offers to compromise claims of the United States, and on about 32 suits filed against officers of the Department and of the United States and on patent cases. The Division passed upon the legal sufficiency of 629 assignments executed pursuant to the Assignment of Claims Act of 1940, involving contracts entered into by the Department; rendered assistance to the Department of Justice in connection with numerous check reclamation cases; and examined 15,432 indemnity or official surety bonds. The Division continued to represent the Department in connection with the liquidation of indebtedness of certain carriers under the Transportation Act of 1920, as amended, and to render legal advice regarding payments to short-line carriers under section 204 of that act.

The Division performed legal services with respect to payments to American nationals of awards made pursuant to the provisions of the Settlement of Mexican Claims Act of 1942, and to claims of American nationals against Germany and Turkey.

Narcotics.—A number of unusual legal questions arising in connection with the Federal narcotic drug and marihuana laws were determined during the year; new legislation was drafted for the purpose of controlling the growth of the opium poppy, and, upon its submission to Congress, was enacted as the Opium Poppy Control Act of 1942; regulations for the enforcement of that act were drawn; a general conservation order relating to the establishment of manufacturing and purchase quotas for narcotic drugs was prepared; and assistance was extended to a number of the States in connection with the adoption or amendment of the Uniform State Narcotic Drug Law.

Committee on Practice.—Surveillance is maintained by the Committee over a bar of approximately 70,000 enrollees (lawyers and accountants) licensed to practice before the Treasury Department. A representative of the Division acts as counsel for the Committee, investigates complaints, and when necessary files charges which may result in disciplinary action by the Committee. The Division's representative handled approximately 180 reports of misconduct by enrollees, and presented 27 cases to the Committee on formal charges.

BUREAU OF THE MINT[1]

Institutions of the Mint Service

During the fiscal year 1943, six mint institutions were in operation: Coinage mints at Philadelphia, San Francisco, and Denver; assay

[1] More detailed information concerning the activities of the Bureau of the Mint is contained in the annual report of the Director of the Mint.

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office at New York, which handles the major portion of the gold imported and exported, and its auxiliary silver buillion depository at West Point; gold bullion depository at Fort Knox; and assay office at Seattle. Electrolytic refineries are maintained at the New York, Denver, and San Francisco institutions.

Coinage

Domestic coin manufactured during the fiscal year 1943, amounted to 1,472,098,762 pieces, as compared with the record production of 2,114,890,662 pieces during the preceding year. As in previous years, the coin most largely produced was the 1-cent piece. The production in 1943, in amount $153,474,479, consisted of 683,103,362 subsidiary silver coins, $133,341,141; 306,084,600 5-cent coins, $15,304,230; and 482,910,800 1-cent pieces, $4,829,108, of which 287,758,800 pieces were bronze and 195,152,000 were of zinc-coated steel.

Coinage for foreign governments amounted to 173,023,000 pieces, compared with 281,050,000 pieces during the prior year.

The grand total of domestic and foreign coins made in 1943 amounted to 1,645,121,762 pieces, a decrease of 750,818,900 over the prior year. The decrease was largely due to interrupted production resulting from changes in the alloy of minor coins.

Minor coinage alloys

Five-cent coin.—Production of the new 5-cent coin, under authority of the Second War Powers Act, approved March 27, 1942, was started on October 1, 1942. The alloy for the new coins, adopted after considerable experimentation with different materials and alloy proportions, was finally determined as 35 percent silver, 56 percent copper, and 9 percent manganese. The adoption of this alloy effects a saving for war uses of all the nickel and about one-fourth of the copper formerly used in the 5-cent coin. Manufacture of the old 5-cent coin, containing 25 percent nickel and 75 percent copper, was discontinued in May 1942. (See exhibit 60, page 364.)

One-cent coin—Production of 1-cent coins containing 95 percent copper and 5 percent tin and zinc was sharply curtailed beginning in July 1942 and entirely discontinued in December 1942, because of the necessity of saving copper for war industries. During the interim extensive experimentation was made with various substitute materials in an effort to determine a nonstrategic material which would be satisfactory for coinage purposes and suitable for coin-operated devices. A zinc-coated steel coin was finally devised, production of which was commenced on February 23, 1943, pursuant to Public Law 815, approved December 18, 1942. (See exhibit 61, page 365.)

Metal savings.—Based upon the production of 5-cent and 1-cent coins during the fiscal year 1942 it is estimated that over 4,900 tons of copper and 300 tons of nickel will be freed annually for use in furtherance of the war effort, as a result of the changes in minor coinage alloys.

Bullion deposit transactions

The number of bullion deposit transactions during the year totaled 15,406, including 99 inter-mint service transactions, as compared with 35,521 and 83, respectively, during the prior year. The deposit

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transactions required 23,019 assay determinations, which compares with 52,406 assay determinations in 1942.

Transfer of bullion

There were no transfers of bullion, for long-term storage, during the fiscal year 1943. However, bars containing 30,044,617 fine ounces of silver, resulting from melting foreign silver coin of an alloy closely approximating that of United States silver coins, were transferred from the New York Assay Office to the Philadelphia Mint for use in domestic subsidiary silver coinage. The New York Assay Office also manufactured and shipped to the Philadelphia Mint silver coinage ingots containing 466,960 fine ounces of silver.

The silver bullion in the bullion depository at West Point was decreased during the year by 646,073,488 fine ounces and stood at 896,624,303 fine ounces on June 30, 1943. The decrease was due to the transfer from West Point of part of the silver delivered to the Defense Plant Corporation, etc.

Silver bullion, in quantity 695,001,504 fine ounces, was delivered to the Defense Plant Corporation, etc., during the fiscal year under terms of a contract dated May 6, 1942, providing, in effect, for loan of about one billion ounces of silver to be used as a substitute for copper or other stragetic materials in plants that are engaged in, or are essential to, the war effort. Its principal use is understood to be in bus bars, for transmission of electric current. The total silver loaned in this manner, 699,819,332 fine ounces as of June 30, 1943, is to be returned to Treasury custody under terms of the contract, after it has performed its function.

Gold operations

Gold acquisitions by the mints and assay offices during the year, on the basis of classified melted receipts, amounted to $188,134,966, and transfers between mint-service institutions amounted to $19,871,516. These transactions total $208,006,482, compared with $2,891,495,955 for the prior year which included $2,226,584,768 in inter-mint transfers.

The acquisitions include $17,347 of gold received at $20.67+ per fine ounce. The increment on this gold amounted to $12,022.

Silver operations

The Treasury's acquisitions of silver during the year totaled 20,594,564 fine ounces, at an average cost of $0.691 per fine ounce and a total cost of $14,229,936. The acquisitions consist of the following:

Item	Amount (fine ounces)	Cost
Newly mined domestic silver	19,568,621.34	$13,870,638.45
Purchase Act silver		[1] 5,141.14
Silver contained in gold bullion deposits, etc.[2]	167,483.57	60,190.14
Silver received in exchange for Government-stamped bars	858,458.62	293,965.98
Total	20,594,563.53	14,229,935.71

[1] Delayed expense item.
[2] Includes 42,002.70 fine ounces, cost $18,481.19, acquired for account of the Metals Reserve Co. at $0.44 per fine ounce.

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United States silver coin received for recoinage totaled 1,673,579 fine ounces, with a recoinage value of $2,313,571; and additional unfit silver dollars of a face value of $8,080,739, which were melted during the year under authority of the act of December 18, 1942 (Public Law 815), produced 5,981,421 fine ounces of silver. Silver deposited by other governments, for foreign coinage, totaled 12,579,986 fine ounces. Silver transfers between mint-service institutions totaled 30,751,458 fine ounces. These items plus the silver acquired during the year brought the total transactions in silver to 71,581,008 fine ounces, compared with the prior year's total of 136,512,543.

During the year $13,963,636 of silver certificates were issued against 10,800,000 fine ounces of silver bullion valued at $1.29+ per fine ounce, the statutory monetary value of silver. Such silver had been acquired at an average price of $0.7111+ per fine ounce. The difference between the cost of the silver held to secure such certificates and the monetary value of such silver is $6,283,636, and this amount constitutes seigniorage.

The open-market price of silver in New York (mean of bid and asked) during the fiscal year 1943 averaged $0.43458. The price from July 1, 1942, until September 1, 1942, was $0.35437, when it advanced to $0.45062, which price prevailed, without change, through June 30, 1943.

For newly mined domestic silver a return to the depositor of $0.7111+ per fine ounce, established by the act of July 6, 1939, prevailed during the fiscal year 1943.

Refineries

The electrolytic refineries produced during the year 6,225,508 fine ounces (213 tons) of electrolytically refined gold bullion and 6,679,864 fine ounces (229 tons) of silver bullion. During the prior year the quantities produced were 7,749,270 fine ounces (265.7 tons) of gold and 6,272,610 fine ounces (215.1 tons) of silver.

Stocks of unrefined gold and silver bullion in mint institutions decreased during the year by approximately 294.6 tons, leaving a total of 1,757 tons. There was a decrease in 1942 of about 99.5 tons.

Stock of coin and monetary bullion in the United States

On June 30, 1943, the estimated stock of domestic coin in the United States was $1,443,813,694, of which $538,996,271 was standard silver dollars, $659,967,847 subsidiary silver coin, and $244,849,576 minor coin.

The stock of gold bullion, including coin, held by the Treasury on the same date was valued at $22,387,522,108, a decrease of $349,182,444; and the stock of silver bullion was 2,430,270,022 fine ounces, a decrease of 94,058,793.

Production of gold and silver

Domestic gold production during the calendar year 1942 was 3,741,806 fine ounces, with a monetary value of $130,963,210, compared with 5,976,419 fine ounces with a value of $209,174,600 in 1941. The largest gold production, 6,003,105 fine ounces with a monetary value of $210,108,700, occurred in 1940.

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Domestic silver production during the calendar year 1942 totaled 56,090,855 fine ounces, representing a decrease of 16,245,174 ounces from the 1941 production of 72,336,029. The record production of 74,961,075 ounces was in 1915.

Industrial consumption of gold and silver

Gold consumption in the industrial arts during the calendar year 1942 is estimated at $75,742,495. Gold returned from industrial use amounted to $28,447,685. These items give a net industrial consumption of new gold during the year of $47,294,810, compared with $37,001,620 during the calendar year 1941.

Silver used in the arts is estimated at 131,419,224 fine ounces, of which 101,398,695 fine ounces were new material.

Compared with the prior year, there was a decrease in gold consumption of approximately 590,900 ounces and an increase in silver consumption in industry of about 38,600,000 ounces.

General activities

The regular income realized by the Treasury from the Mint Service aggregated $74,278,461, of which $71,678,751 was seigniorage. The seigniorage on subsidiary silver coin was $60,591,139, and on minor coin $11,087,612. Extraordinary income was $6,295,658, of which $6,283,636 was seigniorage on silver bullion revalued to $1.29+ per ounce, and $12,022 was increment to $35 per ounce on revalued gold.

The number and value of deposits, transfers, gross income, and expenses for the fiscal year 1943, and the number of employees on June 30, 1943, at each institution are shown in the following table.

Gold and silver deposits, income, expenses, and employees, by institutions, fiscal year 1943

Institution	Number of bullion deposit transactions	Number of assay determinations on bullion deposits	Monetary value of gold and silver receipts, including transfers [1]	Gross regular income	Gross expenses	Excess of income or of expenses (−)	Employees, June 30, 1943
Philadelphia	2,592	4,568	$55,477,271	$49,291,855	$3,382,770	$45,909,085	1,201
San Francisco	4,477	6,692	42,099,185	11,459,974	1,294,752	10,165,222	420
Denver	1,795	2,995	43,343,525	12,173,955	1,071,656	11,102,299	305
New York	5,113	6,936	128,106,722	1,307,143	609,106	698,037	173
Seattle	1,429	1,828	15,948,894	45,534	37,204	8,330	9
Fort Knox					85,508	−85,508	36
Total	15,406	23,019	284,975,597	74,278,461	6,480,996	67,797,465	2,144
Bureau of the Mint					150,438	−150,438	44
Grand total	15,406	23,019	284,975,597	74,278,461	6,631,434	67,647,027	2,188
Prior fiscal year	35,521	52,406	3,056,135,406	69,025,597	6,294,713	62,730,884	2,112

[1] Includes 99 inter-institution transactions amounting to $58,630,977.

DIVISION OF MONETARY RESEARCH

The Division of Monetary Research in the Office of the Secretary provides information, economic analyses, and recommendations for the use of the Secretary of the Treasury and other Treasury officials

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to assist in the formulation and execution of the monetary policies of the Department in connection with the stabilization fund, gold and silver, the flow of capital funds into and out of the United States, the position of the dollar in relation to foreign currencies, international monetary cooperation, monetary, banking, and fiscal policies of foreign countries, exchange and trade restrictions abroad, and similar problems. In addition, the Division provides economic analyses in connection with the Treasury's Foreign Funds Control, and monetary and financial problems in occupied areas.

Analyses are also prepared relating to the customs activities of the Department and the duties of the Secretary of the Treasury under the Tariff Act and on other matters pertaining to international trade, including the trade agreement program.

The Division also is responsible for the economic and financial work in connection with the negotiation of exchange stabilization agreements made by the United States with foreign governments and central banks for the purpose of promoting international exchange stability. The Treasury's operations under these agreements are performed under the stabilization fund, which is administered by the Division.

BUREAU OF NARCOTICS [1]

The activities of the Bureau of Narcotics are directed toward the suppression and elimination of the illicit traffic in narcotic drugs and toward an effective control of the legitimate manufacture and distribution of such drugs for necessary medical uses.

During the fiscal year the activities of the Bureau resulted in an increased number of arrests for violations of the narcotic laws and increased quantities of drugs confiscated from the illicit traffic. There were slight reductions in the number of arrests under the marihuana laws, in the number of vehicles seized for violations of the marihuana and narcotic laws, and in the quantities of marihuana seized and eradicated.

A comparison of these statistics for the years 1942 and 1943 is shown in the following table.

	1942		1943	
	Narcotic laws	Marihuana laws	Narcotic laws	Marihuana laws
Violations reported, number	2,617	1,159	2,431	796
Arrests, do	1,777	1,090	1,794	777
Drugs confiscated:				
Narcotics, ounces	r 1,522	----	2,289	----
Marihuana:				
Bulk, pounds	----	r 722	----	638
Seeds, do	----	r 12	----	18
Cigarettes, number	----	r 31,342	----	24,903
Growing plants, do	----	1,693	----	108
Wild marihuana growth eradicated, acres	----	9,742	----	4,747
Vehicles seized, number	171	----	132	----

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The tables following show in detail the number of violations reported under the narcotic and marihuana laws during the fiscal year 1943 and their disposition and the penalties, as reported by Federal narcotic enforcement officers.

[1] Further information concerning narcotics is available in the separate report of the Commissioner of Narcotics.

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Number of violations of the narcotic and marihuana laws reported and their disposition and the penalties, fiscal year 1943

	Narcotic laws				Marihuana laws	
	Registered persons		Nonregistered persons		Nonregistered persons	
	Federal court	State court	Federal court	State court	Federal court	State court
Pending July 1, 1942	521		1,099		[1] 348	
Reported during 1943:						
Federal	678		1,392		467	
Joint	52		309		329	
Total to be disposed of	1,251		2,800		1,144	
Convicted:						
Federal	117	7	759	298	371	19
Joint	15	4	113	96	251	12
Acquitted:						
Federal	7	1	26	17	12	3
Joint	—	1	5	6	9	3
Dropped:						
Federal	263	6	312	49	[1] 95	6
Joint	11	2	71	39	54	9
Compromised: [2]						
Federal	287	—	2	—	—	—
Joint	20	—	—	—	—	—
Total disposed of	741		1,793		844	
Pending June 30, 1943	510		1,007		300	
	Years / Months	Years / Months	Years / Months	Years / Months	Years / Months	Years / Months
Sentences imposed:						
Federal	241 —	3 3	1,370 8	193 —	547 5	13 7
Joint	15 —	9 —	239 6	108 9	375 7	10 6
Total	256 —	12 3	1,610 2	301 9	923 —	24 1
Fines imposed:						
Federal	$26,534	$750	$56,778	$796	$2,400	$11
Joint	1,975	---	634	1,462	2,873	79
Total	28,509	750	57,412	2,258	5,273	90

NOTE.—Federal cases are made by Federal officers working independently while joint cases are made by Federal and State officers working in cooperation with each other.

[1] Includes one violation by a registered person but this was dropped during the year. No registered persons were reported for violation during the year.

[2] Represents 309 cases which were compromised in the sum of $39,565.60.

Registrations under the Federal narcotic and marihuana laws, June 30, 1943

	Narcotic laws	Marihuana laws
Importers, manufacturers, producers, and compounders	147	---
Importers, manufacturers, and compounders	---	7
Producers (growers)	---	14,913
Dealers	---	199
Wholesale	1,167	---
Retail	47,784	---
Practitioners	144,559	621
Dealers in and manufacturers of untaxed preparations	[1] 136,735	---
Users for purposes of research, instruction, or analysis	126	43
Total	330,518	15,783

[1] Includes registrations for which payment of occupational tax is not required under the act, because also registered in some other class.

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Opium supplies continued to be available for import and additional quantities were imported during the year. Coca leaves similarly continued to be imported, both for medicinal purposes and the manufacture of nonnarcotic flavoring extracts.

Exports of narcotic drugs have generally increased owing to demands of countries which formerly procured their supplies from European sources. Manufacture of such drugs has increased considerably because of these unusual export requirements and of the needs of the military and naval forces.

DIVISION OF PERSONNEL

The Division of Personnel is charged with the supervision of the personnel activities of the entire Department, and its general functions include initiating, planning, and formulating personnel policies, procedures, practices, and programs, and coordinating and exercising control over the Department's personnel operations so that they will conform to approved policies and procedures. The functions of the Division are principally in the nature of advisory and control activities, with the personnel operations of the Department being actually carried out in the personnel units of the several branches, bureaus, and offices. This decentralization of personnel work, with control being retained in the central personnel office, is in line with the Department's policy of facilitating and strengthening the functioning of the operating organizations.

The activities of the Division include those relating to position-classification, salary administration, recruitment, placement, appointment, promotion, separation, retirement, discipline, investigation, efficiency rating, employee relations, leave, forms and records, training, and civil service rules and regulations.

Throughout the fiscal year 1943 the Division was engaged in fostering, developing, and maintaining a comprehensive program of personnel management, in the interests of bettering employee-employer relations, attaining higher standards of performance, and increasing the over-all efficiency and effectiveness of administration for the entire Department.

During the year the Division considered and acted upon 170,024 personnel recommendations relating to the appointment, promotion, reassignment, retirement, suspension, and separation of employees. The table following shows for the fiscal years 1942 and 1943 the number of employees and the personnel actions processed.

	Fiscal year 1942	Fiscal year 1943	Increase
Field employees	43,586	50,397	6,811
Departmental employees	24,610	31,696	7,086
Total employees	68,196	82,093	13,897
Personnel actions processed	115,596	170,024	54,428

Note.—The figures for number of employees show the actual number of names appearing on pay rolls for the period covering the last half of June 1942 and June 1943.

COMMITTEE ON PRACTICE

The Committee on Practice is an administrative and judicial body. It has charge of the enrollment of attorneys and agents for practice before the Treasury Department and conducts hearings in disbarment proceedings. An attorney, not a member of the committee, represents

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the Government before the committee. All complaints are filed with the attorney for the Government, who institutes proceedings in disbarment or suspension if the charges warrant such action. The committee also issues licenses to customhouse brokers and makes findings of fact and recommendations to the Secretary in proceedings for the revocation or suspension of such licenses.

The following statement summarizes the work of the committee for the year 1943.

		Number
Attorneys and agents:		
Applications for enrollment approved		2,276
Applications for enrollment disapproved		5
Applications withdrawn on advice of committee		125
Formal hearings on applications		4
Complaints against enrolled persons:		
Pending July 1, 1942	33	
Filed during the year	8	
	—	41
Disposed of:		
Disbarred	9	
Stricken from the rolls in the course of disbarment proceedings	1	
Suspensions	0	
Reprimands	1	
Dismissed	3	
	—	14
Pending June 30, 1943		27
Charges made, names stricken from the rolls		5
Cases of minor infractions of the regulations in which enrollees were given an opportunity to show cause why proceedings should not be instituted		5
Customhouse brokers:		
Applications for licenses approved		48
Applications withdrawn		11
Licenses canceled		23
Licenses revoked		1
Suspensions		0
Reprimands		0

Since the organization in 1921 of the Committee on Practice, 64,037 applications for enrollment have been approved and 762 disapproved. Two hundred and forty-six practitioners have been disbarred from further practice before the Treasury Department, 137 have been suspended from practice for various periods, and 180 have been reprimanded.

PROCUREMENT DIVISION

The following table summarizes the amounts of purchases made by the Procurement Division under its various activities during the fiscal years 1942 and 1943.

	1942	1943
Regular activities	$21,648,545	$39,259,734
Printing and binding	6,061,395	7,040,254
Lend-lease activities	1,126,438,327	1,469,859,966
Emergency relief	171,711,188	41,096,883
Foreign war relief	17,053,849	2,568,832
Strategic and critical materials	6,544,303	12,256,419
Defense housing furniture and equipment	15,433,708	15,905,289
Total purchases	1,364,891,315	1,587,987,377

Typewriter purchases program.—The conversion of the typewriter manufacturing industry to war work and the consequent cessation of the manufacture of typewriting machines necessitated the purchase of used typewriters to meet the needs of the military services and other Government agencies. To accomplish this a program was initiated, in cooperation with the War Production Board, under which contracts

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were entered into with typewriter dealers and manufacturers throughout the United States for the purchase of typewriting machines from the public. Under these contracts, machines have been purchased, cleaned, reconditioned, and delivered to the Government. By June 30, 1943, 275,298 machines had been purchased.

Blind-made products.—Requirements of the military services have materially increased the purchases made from institutions for the blind under the Wagner-O'Day Act. During the year, purchases from the fifty-three institutions participating in the program amounted to $10,380,000. The largest purchases were pillowcases, of which 19,316,000 were made by the blind. This work gave employment to 2,519 blind persons, who received over a million dollars in wages.

Printing and binding.—To meet the printing and binding requirements of the Treasury Department during the fiscal year, 5,101 requisitions were placed with the Public Printer at an estimated cost of $6,928,182, an increase over 1942 of $866,787. Appropriations made to Treasury bureaus and offices specifically for printing and binding totaled $2,085,243. Additional funds amounting to $844,061 were made available by increases in the limitation for the Bureau of Internal Revenue and by transfers to the several activities of the Department, making a total of $2,929,304. Of this sum the Bureau of Internal Revenue expended $2,005,902 (largely in connection with tax operations), and other bureaus $544,663, a total of $2,550,565. The remaining cost, $4,377,617, was defrayed from other funds, and covered for the most part $2,347,558 for the War Finance Division (formerly the War Savings Staff) for printing and binding incident to the promotion and sale of savings bonds and stamps, and $1,848,193 for the Bureau of the Public Debt, principally for printing in connection with the issue and retirement of obligations of the United States Government and promulgation of regulations pertaining thereto.

There was also an increase in the volume of engraving and plate printing authorized at the Bureau of Engraving and Printing. Seven thousand and seven requisitions were placed with the Bureau for a total of 242,853,205 disbursing officers' checks, commissions, certificates, drafts, transportation requests, and warrants, as compared with 5,627 requisitions and 172,155,245 such checks, commissions, etc., during the fiscal year 1942.

Lend-lease.—The Procurement Division's activities under the Lend-Lease Act continued to be its most important task in the war effort. During the year purchases amounted to $1,500,000,000. A discussion of these activities appears on page 120.

Relief.—Purchases for emergency relief dropped from $172 millions in 1942 to $41,000,000 in 1943. Consolidation of the field procurement offices was completed during the year; there are now 8 regional offices with purchasing officers in each State.

The unexpended balance of the appropriation for relief of refugees, made available by the Emergency Relief Appropriation Act, 1941, and the appropriation for foreign war relief, contained in the Third Supplemental National Defense Appropriation Act, 1942, were consolidated and made available until June 30, 1943, for both purposes by the Second Deficiency Appropriation Act, 1942, approved July 2, 1942. From the beginning of the relief program in September 1940 to the end of June 1943, obligations for the purchase of supplies and material have amounted to $37,491,000, and for transportation, warehousing, etc.,

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$3,239,000, or a total of $40,730,000. Obligations incurred during the fiscal year 1943 were materially smaller than during the previous years. In 1941 the sum of $19,653,000 was obligated; in 1942, $18,467,000; and in 1943, $2,610,000. The reduction is accounted for by the extension of enemy occupation, making it impossible to distribute relief, and the diminution of bombing of England, lessening the need for relief.

Strategic and critical materials.—Purchases of strategic and critical materials amounted to over $12,000,000 during the year. The activities of the Procurement Division in this connection are more fully discussed on page 122.

Defense housing furniture and equipment.—During the year purchases of household and quarters equipment for the account of other services of the Government amounted to $15,905,000, an increase of $472,000 over the previous year. Preliminary work was completed and there was incorporated in the General Schedule of Supplies the entire class of household and quarters furniture except items prohibited by wartime restrictions. Detailed specifications and drawings now in use cover approximately 400 items of furniture needed by various services of the Government for living quarters. There are available, to bidders and contractors, drawings giving dimensions and construction details, and, to ordering offices, illustrations of completed pieces for use in selecting articles. For the first time there has been brought together in one place the preparation of specifications and the making of contracts for household and quarters furniture, providing adequate control over standards of quality, and effective inspection, with the price advantage of coordinated purchasing.

Wood and steel office furniture.—The restrictions placed on the manufacture of steel office furniture and the limitations imposed by the War Production Board on the use of metal parts in the assembly of wood office furniture necessitated the redesigning and modification of details of construction for numerous items. Specifications were revised, limiting the use of metal in the assembly of various types of wood office files and chairs requiring rotary and tilting mechanism, resulting in the saving of large quantities of steel used in the manufacture of castings, springs, and other metal components. The less expensive table type desks and other wood desks, minus all nonessential metal parts, were made readily available to the Federal agencies under Special Purchase Program contracts with a number of manufacturers.

Public utilities.—The Procurement Division performs the technical work required to achieve the most efficient and economical means whereby telephone and other wire communication service, electric light and power, and gas are furnished to activities of the Federal Government. Research is carried on to develop bases for negotiating consolidated contracts, or by other means to decrease the cost and to provide more effective public utility service supplied to Federal agencies. Technical supervision is maintained over the consolidated contracts covering telephone service, electric power, and gas in the Washington area, and electric power and gas contracts under which Federal agencies are served in Baltimore, Philadelphia, and New York.

The Division's efforts have effected considerable savings, much of it in small, scattered amounts, and improved service and more efficient operation. However, after negotiations were concluded with the

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Chesapeake & Potomac Telephone Co. looking toward a more equitable scale of charges for certain elements of telephone service in the Washington area, the reductions in charges aggregated about $200,000 a year. After analyzing electricity data for the Washington area the Procurement Division intervened before the Public Utilities Commission as a party to an action looking toward reduction in rates; reductions were ordered, of which the Government's share is approximately $100,000 a year. In addition, the matter of electric power for the Pentagon Building was also under consideration, and, if the rates being charged are brought into line with applicable rates in adjacent territory, there will be a saving of about $165,000 annually.

Deliveries of fuel.—Despite interrupted coal production and transportation difficulties, adequate supplies of anthracite and bituminous coal, coke, charcoal, firewood, heavy industrial oil, and light domestic oil were delivered to more than 2,000 locations in or adjacent to the District of Columbia, comprising office buildings occupied by Government agencies; Federal public housing projects and institutions; District of Columbia municipal institutions, hospitals, schools, and police and fire stations; and military and naval posts. Fuel deliveries to these departments and agencies amounted to 470,000 tons of coal, of which 308,000 tons were delivered by direct railcar and 162,000 tons by Procurement Division trucks, and approximately 2,900,000 gallons of light domestic oil and 13,700,000 gallons of heavy industrial oil.

General supply fund.—This special fund was established pursuant to the act of February 27, 1929 (45 Stat. 1341), and is available to finance the stock, consolidated purchases, and services authorized under Executive Order No. 6166, dated June 10, 1933. It is a revolving fund from which payments are made for commodities purchased and services performed for other agencies and to which collections made direct from the applicable appropriations are credited by transfer and counter-warrant. These collections include a mark-up sufficient to cover actual handling expenses.

A statement of the assets and liabilities of the general supply fund as of June 30, 1943, follows:

Assets	Amount	Liabilities and capital	Amount
Current assets:		Current liabilities:	
Cash	$2,953,431.32	Accounts payable	$5,452,367.60
Accounts receivable	3,975,584.08	Unearned income	30,272.06
Total	6,929,015.40	Total	5,482,639.66
Inventories and deferred charges:		Appropriations and capital:	
Inventories (at cost)	3,711,823.66	Capital	5,020,196.07
Deferred charges	6,886.66	Donated capital	162,477.88
		Surplus	53,527.77
Total	3,718,710.32		
Fixed assets—equipment	71,115.66	Total	5,236,201.72
Total assets	10,718,841.38	Total liabilities and capital	10,718,841.38

Storage and warehousing.—The Warehouse, in which are stocked commodities in common use in the Government, filled 48,473 requisitions received from the various departmental and field agencies for supplies amounting to $7,588,019. This represented 16,300 tons of material delivered by Warehouse trucks in the District of Columbia and vicinity and 10,400 tons shipped to field activities. Executive Order No. 9235, dated August 31, 1942, directed the Procurement

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Division to undertake such warehousing and distribution of supplies and equipment for Government agencies as the Director of the Bureau of the Budget approves. To carry out the provisions of this order a Nation-wide storage and issue warehousing program was inaugurated, the details of which are discussed on page 123.

Specifications.—New specifications to meet the needs of the Army, Navy, and other Government departments for war purposes and for lend-lease purchases were prepared during the year as follows: 77 Federal Specifications, 115 Emergency Alternate Federal Specifications, and 57 Procurement Division Specifications.

These specifications have coordinated, standardized, and simplified technical requirements for machines, equipment, and supplies so that products suitable for war needs could be obtained more readily. The specifications covered commodities such as foods, blankets, medical and surgical supplies, sterilizers, laundry equipment, cooking equipment, trucks, tools for the Army and Navy, and portable Diesel electric power stations.

In order to meet rapidly changing war conditions and to conserve strategic and critical materials such as rubber, aluminum, brass, copper, nickel, and various chemical compounds, old specifications were revised as follows: 255 revisions to Federal Specifications, 190 revisions to Emergency Alternate Federal Specifications, and 57 revisions to Procurement Division Specifications.

On June 30, 1943, there were in effect 1,511 Federal Specifications, 442 Emergency Alternate Federal Specifications, and 305 Procurement Division Specifications.

Federal Standard Stock Catalog.—The greater part of the cataloging work of the Division was performed for the Service Branches of the War and Navy Departments. The most important was the cataloging of all standard items of hardware, tools, and equipment used by the Ordnance Department. About 50,000 items of equipment have been identified from ordnance parts lists or from drawings and arranged in Standard Stock Catalog form. The Office of the Chief of Ordnance regularly sends to the Division lists of additional commodities to be added to stock for the Motor Transport Service.

The Division prepared for the Bureau of Yards and Docks, Navy Department, detailed listings in classified form, with Federal Standard Stock numbers and nomenclature, covering equipment and supplies needed for construction and maintenance of shore installations at advance bases. This list involved approximately 18,000 items.

Emergency conditions have increased the volume of orders received from the various departments and establishments for additional stock of portions of the Federal Standard Stock Catalog. It was necessary to reprint the Quartermaster Supplement in its entirety owing to the greatly expanded demands from War Department activities.

Inspection service.—The Procurement Division maintains an inspection service which is equipped to perform visual, physical, analytical, and utility examinations and tests. As an auxiliary inspection facility, a sample room is maintained wherein are displayed, during the life of the contract to which they pertain, the standard samples of the articles covered by each contract. These samples are available at all times for examination by prospective purchasers.

Purchasing methods.—The methods of purchasing instituted by the Procurement Division during the fiscal year 1942 were further

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improved to effect simplification in handling documents by the use of "Contract Terms." These terms are a compilation of the numerous conditions, terms and citations which must be included in all supply contracts. The "Contract Terms" were distributed to every contractor on the Procurement Division mailing list and are incorporated by reference in all War Powers Contracts, thereby saving six pages of duplicated material on each copy of every contract. This has resulted in a tremendous saving of paper as well as facilitating the preparation and handling of documents.

The Procurement Division participated in the assignment of procurement of all lend-lease requirements by joining with a subcommittee of the Procurement Policy Board of the War Production Board, in an arrangement to avoid overlapping among procurement agencies. The Army, Navy, Maritime Commission, Department of Agriculture, and the Office of Lend-Lease also participated in this arrangement. The assignment of classes for purchase was based on the Federal Standard Stock Catalog. This catalog provided the basis for 93 classes of procurement classification, and reference thereto has facilitated determination of the proper procurement agency for any particular article or material, thereby increasing the efficiency of lend-lease purchasing operations. This also has enabled foreign missions participating in the lend-lease program to know in advance which procurement officer would handle their requirements.

Constant liaison has been maintained with the Smaller War Plants Corporation in making all war purchases in accordance with the intent of Congress that business might be distributed to the extent possible among the smaller manufacturers. The Smaller War Plants Corporation has maintained an office in the Procurement Division for this purpose.

Renegotiation of contracts.—A discussion of the contracts of the Treasury Department subject to renegotiation is included in the article on "Renegotiation of war contracts" on page 120.

Federal business associations.—The Procurement Division directs the general activities of over 100 Federal Business Associations. These organizations, composed of the heads of Federal agencies in each of the large concentrations of Government field work, promote efficiency and economy in Government procedures and perform special assignments in connection with Washington programs.

These associations during the past year obtained Federal trucks for the Post Office Department needs at Christmas time and assisted new offices in securing temporary space, equipment, and supplies. They also organized rallies, parades, meetings, etc., in furtherance of war bond sales, the Blood Bank, and other war projects.

Conservation of supplies and materials.—The Procurement Division is the operating agency to carry out the provisions in Executive Order No. 9235, August 31, 1942, for the effective conservation and utilization of all types of property owned by the Federal Government. A discussion of the activities in this connection will be found on page 124.

Many common office supplies are made of materials which are now critically needed in winning the war. The present stocks of these items are irreplaceable. To preserve these vital supplies and materials, the Division accepted the responsibility, by mutual agreement with other Government agencies, for initiating a national conservation program for the executive establishments. The Division stresses

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periodically the importance of conserving these critical supplies and materials, to insure their full utilization, and its purchasing officers are using Emergency Alternate Federal Specifications wherever possible. The limitation and conservation orders issued by the War Production Board are reviewed for the purpose of eliminating and conserving critical materials.

DIVISION OF RESEARCH AND STATISTICS

The Division of Research and Statistics in the Office of the Secretary serves as a research staff for the Secretary and other Treasury officials on matters relating to fiscal operations and policies, the estimated volume and source of future revenues, actuarial considerations involved in certain Treasury functions, and various general economic problems arising in connection with Treasury activities.

In connection with Treasury borrowing operations, the Division prepares reports for the use of officials concerned with the management of the public debt.

The sources of funds available for Government financing are analyzed so as to show where and in what volume income is being generated and savings are being accumulated. These findings are adapted and interpreted for use in setting goals for borrowing and in planning the programs to reach these goals, and for the use of the bond sales organization in connection with drives for war loans and other sales activities.

The suitability of various types of securities for different classes of investors and for specific operations and programs are analyzed and recommendations are made with respect thereto, taking into account both the adaptability of the securities for attaining the goals set for each particular operation and the long-run effects of the issuance of each type of security on the economy and on the cost of financing the war. Studies are made of the level and structure of interest rates and of the factors affecting them. Analyses and recommendations are prepared with respect to legislation having a present or prospective effect upon the market for Government securities.

Detailed information on sales of Government securities, received through a statistical reporting system set up in the Federal Reserve Banks and in the Bureau of the Public Debt in the Treasury Department, are analyzed in the Division so that the Secretary and other Treasury officials can have at all times a complete picture of the volume and distribution of sales; can measure progress towards the long-range goals set for Government borrowing; can gauge the suitability of various kinds of securities for the classes of investors for which they were designed; and can determine the effectiveness of various methods of offering.

Estimates of tax revenues under existing tax laws are prepared in the Division for use in planning financing operations in the Treasury and for incorporation in the President's Budget messages to Congress. In connection with proposals for new tax legislation, estimates are prepared by the Division at the request of Treasury officials and committees of Congress, to show what increases or decreases in revenue may be expected to result from various suggestions for changes in or additions to the existing tax structure.

The Government Actuary, who is on the staff of the Division, is a member of the Board of Actuaries established under the Civil Service

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Retirement Act, and is the Treasury Department's representative on the Actuarial Advisory Committee of the Railroad Retirement Board. He is responsible for the estimates which have to be prepared each year, in accordance with statutory provisions, to show the amount of the annual appropriations required to be made to the foreign service retirement and disability fund and to the District of Columbia teachers' retirement fund.

SECRET SERVICE DIVISION

Crime prevention program.—Because counterfeiting losses have been reduced 97 percent in the 6 years since its "Know Your Money" campaign was inaugurated, the Secret Service applied the same principles to a "Know Your Endorsers" campaign, designed to prevent thefts and forgeries of Government checks by exposing the methods of check thieves and forgers to their potential victims. Seeking to protect recipients of nearly 200 million checks issued during the year, representing Army and Navy allowances and allotments, Social Security benefits, and other Government payments, Secret Service agents arranged for publication of news stories and warnings against check forgers in thousands of newspapers and magazines having a combined circulation of about 205 millions, and effected the production and distribution of nearly 600 million copies of pamphlets, placards, and other material printed by banks and private business establishments. The inscription "Know Your Endorser—Require Identification," now being printed on millions of Government checks, has been widely adopted by States, banks, and corporations for use on private checks, at the suggestion of the Secret Service.

The Secret Service booklet, "Know Your Money," was adopted as a unit of study by 11,922 high schools throughout the United States. The "Know Your Money" study course was endorsed by The Americanism Commission of The American Legion, and a group of educators of that Commission compiled a standard and comprehensive course of study which they sent to 6,000 high school teachers and Post Commanders with the request that "Know Your Money" be made a part of the curricula of high schools in their communities. The "Know Your Money" film was shown to 2,103,918 persons, including 1,265,925 high school students.

Protective activities.—In their duty of protecting the President of the United States, Secret Service agents were faced with new problems during his unprecedented journey to Casablanca in January. Great care was also taken to insure the President's security during his April conference with President Avila Camacho of Mexico at Monterrey, and his unpublicized inspection tours of the war plants of the Nation, one of which took him to the Pacific Coast and through more than 20 States.

The personnel and duties of the Secret Service Uniformed Force were increased by the requirement of guarding the space occupied by the Bureau of the Public Debt in the Merchandise Mart and Nash Building, Chicago, Ill. In Washington, the securities produced at the Bureau of Engraving and Printing and valued at $294 billions were protected in production, storage, and transit.

Enforcement activities.—In Philadelphia, Pa., Secret Service agents and police seized a plant for the manufacture of bogus $10 bills and captured the manufacturer. He was identified with 51 previous offenses and was sentenced to serve 20 to 40 years in prison.

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A new variety of counterfeiting was discovered in the activities of two dealers in philatelic supplies in Pittsburgh, Pa., who offered for sale privately printed stamps bearing the wording "U. S. Postage–Free–For the Armed Forces," printed on a red, white, and blue design of the American eagle and a shield. Secret Service agents seized 670,300 completed stamps, together with plates, and found that the offenders had printed several thousand of the stamps with the eagle design inverted, to make them appear as misprints and unusual philatelic items. Both men were sentenced to one year and one day, placed on probation for three years, and fined $500.

Secret Service agents and post-office inspectors in New York, N. Y., arrested 6 men for counterfeiting overprints on more than 15,000 postage and internal revenue stamps, and for falsely perforating the stamps. The 6 are awaiting trial.

Cooperating with Cuban authorities in Havana, Secret Service agents assisted in locating and capturing a plant for the manufacture of counterfeit $50 notes on the Federal Reserve Bank of New York and arrested seven operators of the plant, including the engraver and printer.

Agents also cooperated with the Agricultural Adjustment Administration in investigating irregularities in the handling of $400,000 in Government funds by a county agent and four accomplices in Chickasaw County, Miss. Sentences imposed upon all offenders ranged from 10 months to 4 years. Most of the losses will be recovered through civil action.

There were 11 new counterfeit note issues detected during the year, 9 of which were described in the Counterfeit Note Index supplied to all banks. In addition, there were 5 crude attempts at the manufacture of spurious notes, none of which warranted issuance of an index card to banks. Counterfeiting plants for the production of bogus $1, $10, and $50 notes were captured by agents, who also seized 8 metal plates for the printing of spurious obligations; 30½ metal molds and 137½ plaster molds for all denominations of counterfeit coins; 36 film negatives for bogus notes; 1 glass negative for counterfeit Canadian gasoline ration stamps; 2 power presses and 1 hand press; 16 zinc plates for the manufacture of counterfeit "B" gasoline ration stamps; 6 plates for stamps similar to postage stamps; 1 copper cut for counterfeit internal revenue strip stamps; 20,859 counterfeit sugar ration stamps; 27,102 counterfeit "T" gasoline ration stamps; 14,180 counterfeit internal revenue stamps; and 1,110 counterfeit Canadian excise stamps.

Agents seized counterfeit and altered notes with a total representative value of $44,909. Of this amount, $13,572 was captured before it reached circulation, and of the balance, only $22,079 represented losses suffered by victims of counterfeit note passers.

Counterfeit coins seized had a representative value of $20,783, of which $1,340 was seized before it reached circulation. Of the balance, $16,310 represented losses to the public.

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During the year there were 26,892 investigations disposed of. A total of 1,789 offenders were arrested, and convictions were obtained in 98.0 percent of the 1,515 criminal cases brought to trial, as compared to 97.6 percent in convictions during the previous year. Fines in criminal cases totaled $56,574 and imprisonments totaled 1,142 years, 9 months, 27 days, and 6 hours. Additional sentences totaling 1,548 years, 2 months, and 2 days were suspended or probated.

The Secret Service investigated 10,364 cases relating to forged Government checks.

The following tables present data relating to the seizure of counterfeit money and other work of the Secret Service during the year.

Number of arrests and cases disposed of, fiscal years 1942 and 1943

	1942	1943	Increase or decrease (−)	Percentage increase or decrease (−)
Arrests for:				
Making or passing:				
Counterfeit notes	117	45	−72	−61.53
Counterfeit coins	200	114	−86	−43.00
Altered obligations	55	72	17	30.91
Forgery of Government checks	1,171	1,004	−167	−14.26
Violation of Gold Reserve Act	27	27	0	
Violation of Farm Loan Act	7	3	−4	−57.14
Miscellaneous offenses	308	524	216	70.13
Total	1,885	1,789	−96	−5.09
Cases disposed of:				
Convictions in connection with:				
Counterfeit notes	119	30	−89	−74.79
Counterfeit coins	211	93	−118	−55.92
Altered obligations	46	74	28	60.87
Forgery of Government checks	1,173	881	−292	−24.89
Violation of Gold Reserve Act	11	43	32	290.91
Violation of Farm Loan Act	4	5	1	25.00
Miscellaneous offenses	289	358	69	23.88
Total	1,853	1,484	−369	−19.91
Acquittals	45	31	−14	−31.11
Dismissed, not indicted, or died before trial	185	169	−16	−8.65
Total cases disposed of	2,083	1,684	−399	−19.16

Counterfeit money seized, fiscal years 1942 and 1943

	1942	1943	Increase or decrease (−)	Percentage increase or decrease (−)
Counterfeit and altered notes seized:				
After being circulated	$62,510	$31,337	−$31,173	−49.87
Before being circulated	10,441	13,572	3,131	29.99
Total	72,951	44,909	−28,042	−38.44
Counterfeit coins seized:				
After being circulated	34,518	19,443	−15,075	−43.67
Before being circulated	5,289	1,340	−3,949	−74.66
Total	39,807	20,783	−19,024	−47.79
Grand total	112,758	65,692	−47,066	−41.74

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Number of investigations of criminal and noncriminal activities, fiscal years 1942 and 1943

	1942	1943	Increase or decrease (−)	Percentage increase or decrease (−)
Criminal cases:				
Making or passing:				
Counterfeit notes	622	258	−364	−58.52
Counterfeit coins	624	234	−390	−62.50
Altered currency	173	183	10	5.78
Forgery of Government checks	11,985	10,364	−1,621	−13.53
Stolen or altered bonds	71	145	74	104.23
Violation of Gold Reserve Act	132	112	−20	−15.15
Violation of Farm Loan Act	19	14	−5	−26.32
Miscellaneous offenses	5,614	9,659	4,045	72.05
Total	19,240	20,969	1,729	8.99
Noncriminal cases:				
Personnel (applicants)	5,785	5,531	−254	−4.39
Miscellaneous	1,796	392	−1,404	−78.17
Total	7,581	5,923	−1,658	−21.87
Grand total	26,821	26,892	71	.26

OFFICE OF THE TAX LEGISLATIVE COUNSEL

The Office of the Tax Legislative Counsel aids in planning and coordinating the recommendations of the Treasury Department for internal revenue legislation. It represents the Department before congressional committees considering tax legislation and assists in drafting such legislation.

During the fiscal year 1943, the major efforts of the Office were applied to the Revenue Act of 1942 and the Current Tax Payment Act of 1943. These measures represent both the largest revenue act in the country's history and a complete change in the method of collecting individual income taxes. With respect to the Revenue Act of 1942, attention was directed, as a result of studies begun by the Office in prior years, to the correction of many inequities and loopholes in the tax structure as well as to the raising of needed, additional revenue. In the case of the Current Tax Payment Act, the Office also took part in devising forms and regulations necessary to the administration of the new system of collecting individual income taxes.

The Office also supervised the preparation of Department reports on over 50 bills concerning internal revenue laws; conducted conferences with individuals, private organizations, and other governmental agencies on taxation, renegotiation of war contracts, and salary stabilization; assisted in the preparation of revised regulations relating to the capital stock tax, the gift tax, and the transportation of property tax; participated in the preparation of regulations relating to the stabilization of salaries issued under the act of October 2, 1942, amending the Emergency Price Control Act of 1942, and under Executive Order No. 9250 dated October 3, 1942; reviewed approximately 120 Treasury decisions revising existing internal revenue regulations; and handled a large volume of correspondence containing recommendations for revenue legislation and inquiries about existing legislation.

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DIVISION OF TAX RESEARCH

The Division of Tax Research conducts research in the economic aspects of taxation essential to the formulation of Treasury tax policy. In this connection the Division prepares reports and studies and conducts surveys for the use of the Secretary of the Treasury and other designated officials of the Treasury Department. When requested, it also provides information on various aspects of taxation and tax policy for the use of the Committee on Ways and Means of the House of Representatives, the Committee on Finance of the Senate, the Joint Committee on Internal Revenue Taxation, and the several Federal executive and administrative agencies.

The principal work of the Division is to assemble the facts and prepare analyses (other than legal) relative to tax problems of the Federal Government and devise alternative methods of meeting the Government's revenue requirements. Comprehensive analyses are made of the relationship of revenue yields to prospective revenue requirements, the desired economic objectives of the tax system, and the economic effects of taxation. Individual taxes are studied with relation to their effects on the particular groups of taxpayers involved, the equitable treatment of taxpayers within a particular group, the administrative and compliance problems inherent in the tax, and the integration of the particular tax with the tax system as a whole. Studies are made of the distribution of the tax burden of specific taxes, the total Federal tax load, and the combined Federal, State, and local burden. The inter-relationships of Federal, State, and local taxes are studied from the broader view of intergovernmental fiscal relations. Specific State and local taxes are also studied to determine the joint effect of such taxes and Federal taxes and also with a view to giving the Federal Government the benefit of State and local tax experience. Similar studies are made of foreign tax systems and selected taxes in foreign countries for the purpose of comparing tax policies and obtaining the benefit of foreign experience. In a limited number of cases field surveys are made for the purpose of supplementing office research.

The Director and members of the Division assist in the presentation of the Treasury's tax programs to the congressional committees and upon request confer with members of these committees and the staff of the Joint Committee on Internal Revenue Taxation for the purpose of explaining various tax matters and supplying information desired. Members of the Division also participate in conferences with taxpayers who desire to call special problems to the attention of the Treasury Department.

The Division also is responsible for the assembly and publication of all statistical information issued by the Treasury pertaining to Federal taxation, and in this connection exercises general supervision over the work of the Statistical Section of the Income Tax Unit in the Bureau of Internal Revenue. Correspondence relating to taxation is handled by the Division.

During the past year the Division continued intensive study of the problems involved in raising the additional revenue required to finance the war and combat inflation. After concluding work on the Revenue Act of 1942, which was enacted on October 21, 1942, attention was devoted to two major problems: (1) Revision of the method of payment for the individual income tax to place taxpayers on a

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current basis; and (2) the raising of additional revenue. In connection with each of these problems numerous studies were made to determine the effects of alternative proposals. Increasing attention has also been given to the basic problems of simplification and improvement of the tax structure in view of the accentuation of such problems under high tax rates and low exemptions.

During the year the Division continued to work in cooperation with the Committee on Intergovernmental Fiscal Relations of the Treasury. The investigation of this Committee was completed late in 1942 and its report was presented to the Secretary of the Treasury on January 1, 1943. The report of the Committee is being printed as Senate Document No. 69, entitled "Federal, State and Local Government Fiscal Relations." This study examines the problems of coordinating Federal, State, and local fiscal systems, surveys the available coordination devices and both foreign and domestic experience in their use; and recommends specific steps which might be taken to improve Federal, State, and local fiscal relationships.

WAR FINANCE DIVISION

By Treasury Department Order No. 50, dated June 25, 1943, the designation of the War Savings Staff was changed to the War Finance Division of the Office of the Secretary, and its function of promoting the sale of United States savings bonds and stamps was expanded to include the sale of all securities offered to the public by the Treasury Department.

The War Savings Staff, designated in April 1942 and in operation during the greater part of the fiscal year, devoted much of its activity to an educational and informational program embracing three major objectives: (1) to increase public interest in the war bond program, (2) to siphon off into savings the increased worker earnings resulting from constantly expanding war production, and (3) to provide the people with a reservoir of personal savings for the post-war period.

The Nation-wide bond selling organization, established by the original Defense Savings Staff and manned almost entirely by volunteers, was continued during the year. In each State, a War Savings Staff under a State Chairman stressed the importance of saving instead of spending. Working with the State Administrator were county and local volunteer committees. A small staff in Washington supplied the pamphlets, posters, and other publicity media.

Cooperating in the task of financing the war were the Victory Fund Committee, attached to the Office of the Secretary, and the Victory Fund Committees in each Federal Reserve District. The members of the district committees were volunteers drawn largely from the securities and banking fields, and their task was to promote the sale of Government securities other than savings bonds by soliciting individuals and institutions with accumulated balances and idle funds. The difference between the Victory Fund Committees and the War Savings Committees was a functional one. In the first special War Loan Drive, of December 1942, the Victory Fund Committees had the job of raising the preponderance of money needed by tapping large reserves of accumulated funds; the War Savings Committees had the responsibility of canvassing the mass market. With these different yet closely related objectives the two organizations continued their work as separate entities until they were united for the Second War Loan Drive in April 1943.

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Preparatory to the Second War Loan, there was created in the Treasury Department, on March 2, 1943, a Treasury War Finance Committee which was designed to integrate the work of the Victory Fund Committees and the War Savings Staffs in the sale of all Government securities. A War Finance Committee set up in each Federal Reserve district included representatives of the War Savings Staff and Victory Fund Committee of each State in the district, and acted in an advisory capacity to the President of the Federal Reserve Bank, who was chairman of the district Committee.

The April drive intensified the growing belief of Treasury officials and the Presidents of the Federal Reserve Banks that the sale of securities to all individuals and institutions should be concentrated in a single organization. As a result the War Savings Staff in Washington became, on June 25, 1943, the War Finance Division of the Office of the Secretary, charged with the promotion of the sale of all Government securities. About the same time the War Savings Staff and the Victory Fund Committee in each State were consolidated into a single State organization known as the War Finance Committee, functioning under the direction of a State Chairman who reports to the National Director. These State organizations are responsible for the continuing sale of savings bonds and also for all offerings to nonbanking investors during the special war loan drives.

The War Finance organization is divided into three major divisions working directly under the National Director, who is an Assistant to the Secretary, and who is responsible for the entire war financing program. The Publicity and Promotion Division formulates publicity and promotion campaigns for recommendation to the State committees and for use at the national level. This division is responsible for securing the cooperation of all publicity sources, stimulating national advertising by radio, newspapers, magazines, billboards, motion pictures, retail stores, and other media, and is responsible for the creation of posters, albums, pamphlets, etc., used in promoting the sale of Government securities.

The Field Division operates under the supervision of an Assistant National Director who is responsible for the organization and supervision of the operation of the various field offices in the several States, as well as for the formulation of policies and the preparation of instructions for the guidance of the State offices in promoting the sale of Government securities. In this division are a number of sections with more or less specialized spheres of activity. The National Organizations Section is responsible for contacting national labor organizations, patriotic and civic groups, business and fraternal organizations. The Payroll Savings Section is concerned with the important task of promoting at the national level, and assisting State organizations to promote, the payroll savings plan for the installment purchase of war savings bonds from wages or current income. The Women's Section is concerned with the integration of women's organizations in all phases of sales promotion. Other sections of the Field Division deal with schools, agricultural organizations, and other special activities.

The Administrative Division, under an Assistant to the National Director, is charged with the procurement of supplies, personnel voucher audits, budget preparation, and other administrative functions.

An Assistant National Director maintains liaison with the banking and investment industries.

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During the fiscal year, sales of savings bonds of series E, F, and G amounted to $11,789 millions, an increase of $5,796 millions over the previous year. Sales of savings stamps aggregated $590 millions, an increase of $282 millions over the previous year.

The number of persons participating in payroll savings plans increased from 16 millions on June 30, 1942, to 27 millions on June 30, 1943, and the allotment from pay envelopes increased from $153 millions to $415 millions. The allotments on June 30, 1942, were 5.8 percent of the total pay of those participating, while on June 30, 1943, the allotments were 9.0 percent. At the conclusion of the Second War Loan, 50 million people owned war bonds—a number representing almost 40 percent of the population of the entire country and almost 80 percent of the number of persons employed in all occupations and in the armed forces.

Further details on savings bonds and stamps and the payroll savings plans will be found on pages 41 to 55.

INTERDEPARTMENTAL COMMITTEE FOR THE VOLUNTARY PAYROLL SAVINGS PLAN

By Executive Order No. 9135, dated April 16, 1942, the President established the Interdepartmental Committee for the Voluntary Payroll Savings Plan for the purchase of war savings bonds by the civilian employees in the executive branch of the Government. The Committee continued its work during the year in furthering the purpose of the Executive order, and cooperated with the War and Navy Departments in extending the plan to the armed forces.

The Postmaster General authorized the installation of the payroll savings plan in the Washington, D. C., and Baltimore, Md., post offices on an experimental basis. If the plan proves to be satisfactory in operation, it is expected that the Post Office Department will extend it to other post offices throughout the country. The Board of Commissioners of the District of Columbia has also authorized the installation of the plan.

During the year there was a steady increase in the number of Federal employees participating in the voluntary payroll savings plan. In August 1942, 989,352 employees invested $15,100,000 in war savings bonds, and in June 1943, 1,953,333 employees invested $40,463,370, the latter amount representing 9 percent of the gross payroll. In addition to the purchases under the plan, employees continued to make substantial purchases for cash.

The following table shows the trend of the participation in the payroll savings plan by civilian employees in the departmental and field services of the Federal Government for the period from January to June 1943.

Month	Number of employees participating	Total amount of monthly investments through payroll allotments	Average monthly investments per employee
1943			
January	1,527,168	$28,981,367	$18.98
February	1,604,069	29,405,153	18.33
March	1,669,866	32,181,640	19.27
April	1,794,080	36,608,175	20.40
May	1,880,671	37,211,859	19.79
June	1,953,333	40,463,370	20.63

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During June 1943 the civilian and military personnel of the Federal Government purchased $75,630,664 of war savings bonds under the payroll savings plan and for cash, bringing to $666,866,060 the total purchases from the beginning of the program through June 30, 1943.

	June 1943		Total investments from beginning of program through June 30, 1943
	Number of employees participating	Amount of investments	
Under payroll savings plan:			
Military personnel:			
Army	2,205,409	$23,176,507	$175,543,618
Navy	[1] 126,452	3,134,153	13,646,085
Total	2,331,861	26,310,660	189,189,703
Civilian personnel:			
War Department	954,611	15,592,837	105,724,448
Navy Department	545,686	14,581,350	136,724,627
Other	453,036	10,289,183	83,992,139
Total	1,953,333	40,463,370	326,441,214
Cash purchases in—			
Post Office Department	338,408	3,916,995	68,540,627
Navy Department (civilian and military)		3,385,913	52,254,261
War Department (civilian)		1,553,726	[2] 30,440,255
Total	338,408	8,856,634	151,235,143
Grand total	4,623,602	75,630,664	666,866,060

[1] Partly estimated.
[2] Incomplete.

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EXHIBITS

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PUBLIC DEBT

Issues and redemptions of Treasury bonds, Treasury notes, Treasury certificates of indebtedness, and depositary bonds

Exhibit 1

Offering of 2 percent Treasury bonds of 1949–51

On July 8, 1942, Secretary of the Treasury Morgenthau offered for cash subscription $2,000,000,000, or thereabouts, of 2 percent Treasury bonds of 1949–51.

[Department Circular No. 689. Public Debt]

TREASURY DEPARTMENT,
Washington, July 8, 1942.

I. OFFERING OF BONDS

1. The Secretary of the Treasury, pursuant to the authority of the Second Liberty Bond Act, as amended, invites subscriptions, at par and accrued interest, from the people of the United States for bonds of the United States, designated 2 percent Treasury bonds of 1949–51. The amount of the offering is $2,000,000,000, or thereabouts.

II. DESCRIPTION OF BONDS

1. The bonds will be dated July 15, 1942, and will bear interest from that date at the rate of 2 percent per annum, payable on a semiannual basis on December 15, 1942, and thereafter on June 15 and December 15 in each year until the principal amount becomes payable. They will mature December 15, 1951, but may be redeemed at the option of the United States on and after December 15, 1949, in whole or in part, at par and accrued interest, on any interest day or days, on 4 months' notice of redemption given in such manner as the Secretary of the Treasury shall prescribe. In case of partial redemption the bonds to be redeemed will be determined by such method as may be prescribed by the Secretary of the Treasury. From the date of redemption designated in any such notice, interest on the bonds called for redemption shall cease.

2. The income derived from the bonds shall be subject to all Federal taxes, now or hereafter imposed. The bonds shall be subject to estate, inheritance, gift, or other excise taxes, whether Federal or State, but shall be exempt from all taxation now or hereafter imposed on the principal or interest thereof by any State, or any of the possessions of the United States, or by any local taxing authority.

3. The bonds will be acceptable to secure deposits of public moneys, but will not bear the circulation privilege and will not be entitled to any privilege of conversion.

4. Bearer bonds with interest coupons attached, and bonds registered as to principal and interest, will be issued in denominations of $100, $500, $1,000, $5,000, $10,000 and $100,000. Provision will be made for the interchange of bonds of different denominations and of coupon and registered bonds, and for the transfer of registered bonds, under rules and regulations prescribed by the Secretary of the Treasury.

5. The bonds will be subject to the general regulations of the Treasury Department, now or hereafter prescribed, governing United States bonds.

III. SUBSCRIPTION AND ALLOTMENT

1. Subscriptions will be received at the Federal Reserve Banks and branches and at the Treasury Department, Washington. Subscribers must agree not to sell or otherwise dispose of their subscriptions, or of the securities which may be allotted thereon, prior to the closing of the subscription books. Banking institutions generally may submit subscriptions for account of customers, but only the Federal Reserve Banks and the Treasury Department are authorized to act as official agencies. Others than banking institutions will not be permitted to

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enter subscriptions except for their own account. Subscriptions from banks and trust companies for their own account will be received without deposit. Subscriptions from all others must be accompanied by payment of 10 percent of the amount of bonds applied for.

2. The Secretary of the Treasury reserves the right to reject any subscription, in whole or in part, to allot less than the amount of bonds applied for, and to close the books as to any or all subscriptions at any time without notice; and any action he may take in these respects shall be final. Subject to these reservations, subscriptions for amounts up to and including $25,000 will be allotted in full. The basis of the allotment on all other subscriptions will be publicly announced, and allotment notices will be sent out promptly upon allotment.

IV. PAYMENT

1. Payment at par and accrued interest, if any, for bonds allotted hereunder must be made or completed on or before July 15, 1942, or on later allotment. In every case where payment is not so completed, the payment with application up to 10 percent of the amount of bonds applied for shall, upon declaration made by the Secretary of the Treasury in his discretion, be forfeited to the United States. Any qualified depositary will be permitted to make payment by credit for bonds allotted to it for itself and its customers up to any amount for which it shall be qualified in excess of existing deposits, when so notified by the Federal Reserve Bank of its district.

V. GENERAL PROVISIONS

1. As fiscal agents of the United States, Federal Reserve Banks are authorized and requested to receive subscriptions, to make allotments on the basis and up to the amounts indicated by the Secretary of the Treasury to the Federal Reserve Banks of the respective districts, to issue allotment notices, to receive payment for bonds allotted, to make delivery of bonds on full-paid subscriptions allotted, and they may issue interim receipts pending delivery of the definitive bonds.

2. The Secretary of the Treasury may at any time, or from time to time, prescribe supplemental or amendatory rules and regulations governing the offering, which will be communicated promptly to the Federal Reserve Banks.

HENRY MORGENTHAU, Jr.,
Secretary of the Treasury.

Exhibit 2

Subscriptions and allotments, Treasury bonds of 1949–51 (from press releases, July 9, 11, and 15, 1942 [1])

On July 8, 1942, Secretary of the Treasury Morgenthau announced that the subscription books for the offering of 2 percent Treasury bonds of 1949–51 would close at the close of business July 9. Subscriptions aggregated $3,849,495,500, of which $2,097,617,600 were allotted. Subscriptions in amounts up to and including $25,000, totaling about $196,000,000, were allotted in full; and subscriptions in amounts over $25,000 were allotted 52 percent, on a straight percentage basis, but not less than $25,000 on any one subscription, with adjustments, where necessary, to the $100 denomination. Subscriptions and allotments were divided among the Federal Reserve districts and the Treasury as follows:

Federal Reserve district	Subscriptions received	Subscriptions allotted
Boston	$218,046,000	$117,699,300
New York	1,587,258,700	834,234,500
Philadelphia	198,854,900	108,454,800
Cleveland	231,751,200	128,173,100
Richmond	199,092,100	109,087,800
Atlanta	227,408,000	135,643,400
Chicago	511,216,200	280,754,000
St. Louis	102,418,500	62,345,200
Minneapolis	64,403,300	39,372,700
Kansas City	97,357,200	58,817,500
Dallas	115,066,800	65,587,800
San Francisco	287,277,600	152,566,500
Treasury	9,345,000	4,881,000
Total	3,849,495,500	2,097,617,600

[1] Revised Sept. 26, 1942.

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Exhibit 3

Offering of 2½ percent Treasury bonds of 1962–67 (additional)

On August 3, 1942, Secretary of the Treasury Morgenthau offered for cash subscription an unspecified amount of 2½ percent Treasury bonds of 1962–67. These bonds were not available for subscription, for their own account, by commercial banks which accepted demand deposits. The bonds were an addition to the series issued pursuant to Department Circular No. 685, dated May 4, 1942, but additional rights were attached to the bonds offered August 3, 1942, through provision for their optional redemption, upon the death of the owner, for the purpose of satisfying Federal estate taxes.

[Department Circular No. 692. Public Debt]

TREASURY DEPARTMENT,
Washington, August 3, 1942.

I. OFFERING OF BONDS

1. The Secretary of the Treasury, pursuant to the authority of the Second Liberty Bond Act, as amended, invites subscriptions, at par and accrued interest, from the people of the United States for bonds of the United States, designated 2½ percent Treasury bonds of 1962–67. These bonds will not be available for subscription, for their own account, by commercial banks which accept demand deposits. The amount of the offering is not specifically limited.

II. DESCRIPTION OF BONDS

1. The bonds now offered will be an addition to and will form a part of the series of 2½ percent Treasury bonds of 1962–67 issued pursuant to Department Circular No. 685, dated May 4, 1942, will be freely interchangeable therewith, and are identical in all respects therewith.

2. The bonds will be dated May 5, 1942, and will bear interest from that date at the rate of 2½ percent per annum, payable on a semiannual basis on June 15 and December 15 in each year until the principal amount becomes payable, the first payment being made December 15, 1942. They will mature June 15, 1967, but may be redeemed at the option of the United States on and after June 15, 1962, in whole or in part, at par and accrued interest, on any interest day or days, on 4 months' notice of redemption given in such manner as the Secretary of the Treasury shall prescribe. In case of partial redemption the bonds to be redeemed will be determined by such method as may be prescribed by the Secretary of the Treasury. From the date of redemption designated in any such notice, interest on the bonds called for redemption shall cease.

3. The income derived from the bonds shall be subject to all Federal taxes, now or hereafter imposed. The bonds shall be subject to estate, inheritance, gift or other excise taxes, whether Federal or State, but shall be exempt from all taxation now or hereafter imposed on the principal or interest thereof by any State, or any of the possessions of the United States, or by any local taxing authority.

4. The bonds will not be acceptable to secure deposits of public moneys before May 5, 1952, they will not bear the circulation privilege, and they will not be entitled to any privilege of conversion.

5. Bonds registered as to principal and interest will be issued in denominations of $100, $500, $1,000, $5,000, $10,000 and $100,000. The bonds will not be issued in coupon form prior to May 5, 1952,[1] but will be available in coupon form after that date, in the same denominations as, and freely interchangeable with, the registered bonds of this issue. Under rules and regulations prescribed by the Secretary of the Treasury, provision will be made for the transfer of the bonds, other than to commercial banks which accept demand deposits, and for exchanges of denominations. They will not be eligible for transfer to commercial banks which accept demand deposits before May 5, 1952. However, the bonds may be pledged as collateral for loans, including loans by commercial banks which accept demand deposits, but any such bank acquiring such bonds before May 5, 1952, because of the failure of such loans to be paid at maturity will be required to dispose of them in the same manner as they dispose of other assets not eligible to be owned by banks.

[1] Changed to February 1, 1943, see amendment on p. 339.

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6. Any bonds issued hereunder, or under the provisions of Department Circular No. 685, dated May 4, 1942, which upon the death of the owner constitute part of his estate, will be redeemed at the option of the duly constituted representatives of the deceased owner's estate, at par and accrued interest to date of payment: [2] *Provided*, (a) That the bonds were actually owned by the decedent at the time of his death; and (b) that the Secretary of the Treasury be authorized to apply the entire proceeds of redemption to the payment of Federal estate taxes. Registered bonds submitted for redemption hereunder must be duly assigned to "The Secretary of the Treasury for redemption, the proceeds to be paid to the Collector of Internal Revenue at_____ for credit on Federal estate taxes due from estate of _____." Owing to the periodic closing of the transfer books and the impossibility of stopping payment of interest to the registered owner during the closed period, registered bonds received after the closing of the books for payment during such closed period will be paid only at par with a deduction of interest from the date of payment to the next interest payment date; bonds received during the closed period for payment at a date after the books reopen will be paid at par plus accrued interest from the reopening of the books to the date of payment. In either case checks for the full six months interest due on the last day of the closed period will be forwarded to the owner in due course. All bonds submitted must be accompanied by Form PD 1782,[4] properly completed, signed and sworn to, and by a certificate of the appointment of the personal representatives, under seal of the court, dated not more than six months prior to the submission of the bonds, which shall show that at the date thereof the appointment was still in force and effect. Upon payment of the bonds appropriate memorandum receipt will be forwarded to the representatives, which will be followed in due course by formal receipt from the Collector of Internal Revenue.

7. Except as provided in the preceding paragraphs, the bonds will be subject to the general regulations of the Treasury Department, now or hereafter prescribed governing United States bonds.

III. SUBSCRIPTION AND ALLOTMENT

1. Subscriptions will be received at the Federal Reserve Banks and branches and at the Treasury Department, Washington. Banking institutions and security dealers generally may submit subscriptions for account of customers, but only the Federal Reserve Banks and the Treasury Department are authorized to act as official agencies. Subscriptions must be accompanied by payment in full for the amount of bonds applied for.

2. The Secretary of the Treasury reserves the right to reject any subscription, in whole or in part, to allot less than the amount of bonds applied for, and to close the books as to any or all subscriptions at any time without notice; and any action he may take in these respects shall be final. Subject to these reservations, all subscriptions will be allotted in full. Allotment notices will be sent out promptly upon allotment.

IV. PAYMENT

1. Payment at par and accrued interest from May 5, 1942, for bonds allotted hereunder must be made on August 3, 1942, or on later allotment. Accrued interest from May 5, 1942, to August 3, 1942, inclusive is $6.16293 per $1,000. Each day's accrued interest thereafter is $0.0683 per $1,000. Any qualified depositary will be permitted to make payment by credit for bonds allotted to its customers up to any amount for which it shall be qualified in excess of existing deposits, when so notified by the Federal Reserve Bank of its district.

V. GENERAL PROVISIONS

1. As fiscal agents of the United States, Federal Reserve Banks are authorized and requested to receive subscriptions, to make allotments up to the amounts indicated by the Secretary of the Treasury to the Federal Reserve Banks of the

[2] An exact half-year's interest is computed for each full half-year period irrespective of the actual number of days in the half year. For a fractional part of any half year, computation is on the basis of the actual number of days in such half year.

[3] The transfer books are closed from May 16 to June 15, and from November 16 to December 15 (both dates inclusive) in each year.

[4] Copies of Form PD 1782 may be obtained from any Federal Reserve Bank or from the Treasury Department, Washington, D. C.

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respective districts, to issue allotment notices, to receive payment for bonds allotted, to make delivery of bonds on full-paid subscriptions allotted, and they may issue interim receipts pending delivery of the definitive bonds.

2. The Secretary of the Treasury may at any time, or from time to time, prescribe supplemental or amendatory rules and regulations governing the offering, which will be communicated promptly to the Federal Reserve Banks.

HENRY MORGENTHAU, Jr.,
Secretary of the Treasury.

Exhibit 4

Allotments, Treasury bonds of 1962–67 (additional) (from press releases, August 14 and 18, 1942 [1])

On August 14, 1942, Secretary of the Treasury Morgenthau announced that the subscription books for the additional issue of 2½ percent Treasury bonds of 1962–67 would close at the close of business August 15. Subscriptions totaling $1,235,966,500 were allotted in full and were divided among the Federal Reserve districts and the Treasury as follows:

Federal Reserve district	Subscriptions received and allotted	Federal Reserve district	Subscriptions received and allotted
Boston	$84,280,400	Kansas City	$10,843,500
New York	752,020,300	Dallas	14,522,800
Philadelphia	77,514,200	San Francisco	22,476,200
Cleveland	32,928,100	Treasury	9,421,000
Richmond	21,138,700	Government investment accounts	125,869,300
Atlanta	5,997,300		
Chicago	50,568,400	Total	1,235,966,500
St. Louis	5,803,300		
Minneapolis	22,583,000		

Exhibit 5

Offering of ⅞ percent Treasury certificates of indebtedness of Series B–1943

On August 6, 1942, Secretary of the Treasury Morgenthau invited cash subscriptions for ⅞ percent Treasury certificates of indebtedness of Series B–1943, in the amount of $1,500,000,000, or thereabouts.

[Department Circular No. 693. Public Debt]

TREASURY DEPARTMENT,
Washington, August 6, 1942.

I. OFFERING OF CERTIFICATES

1. The Secretary of the Treasury, pursuant to the authority of the Second Liberty Bond Act, as amended, invites subscriptions, at par and accrued interest, from the people of the United States for certificates of indebtedness of the United States, designated ⅞ percent Treasury certificates of indebtedness of Series B–1943. The amount of the offering is $1,500,000,000, or thereabouts.

II. DESCRIPTION OF CERTIFICATES

1. The certificates will be dated August 15, 1942, and will bear interest from that date at the rate of ⅞ percent per annum, payable on a semiannual basis on February 1 and August 1, 1943. They will mature August 1, 1943, and will not be subject to call for redemption prior to maturity.

2. The income derived from the certificates shall be subject to all Federal taxes, now or hereafter imposed. The certificates shall be subject to estate, inheritance, gift or other excise taxes, whether Federal or State, but shall be exempt from all taxation now or hereafter imposed on the principal or interest thereof by any State, or any of the possessions of the United States, or by any local taxing authority.

3. The certificates will be acceptable to secure deposits of public moneys. They will not be acceptable in payment of taxes and will not bear the circulation privilege.

[1] Revised Nov. 4, 1942.

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4. Bearer certificates with two coupons attached will be issued in denominations of $1,000, $5,000, $10,000 and $100,000. The certificates will not be issued in registered form.

5. The certificates will be subject to the general regulations of the Treasury Department, now or hereafter prescribed, governing United States certificates.

III. SUBSCRIPTION AND ALLOTMENT

1. Subscriptions will be received at the Federal Reserve Banks and branches and at the Treasury Department, Washington. Subscribers must agree not to sell or otherwise dispose of their subscriptions, or of the securities which may be allotted thereon, prior to the closing of the subscription books. Banking institutions and security dealers generally may submit subscriptions for account of customers, but only the Federal Reserve Banks and the Treasury Department are authorized to act as official agencies. Others than banking institutions and security dealers will not be permitted to enter subscriptions except for their own account. Subscriptions from banks and trust companies for their own account will be received without deposit. Subscriptions from all others must be accompanied by payment of 5 percent of the amount of certificates applied for.

2. The Secretary of the Treasury reserves the right to reject any subscription, in whole or in part, to allot less than the amount of certificates applied for, and to close the books as to any or all subscriptions at any time without notice; and any action he may take in these respects shall be final. Subject to these reservations, subscriptions for amounts up to and including $25,000 will be allotted in full. The basis of the allotment on all other subscriptions will be publicly announced, and allotment notices will be sent out promptly upon allotment.

IV. PAYMENT

1. Payment at par and accrued interest, if any, for certificates allotted hereunder must be made or completed on or before August 15, 1942, or on later allotment. In every case where payment is not so completed, the payment with application up to 5 percent of the amount of certificates applied for shall, upon declaration made by the Secretary of the Treasury in his discretion, be forfeited to the United States. Any qualified depositary will be permitted to make payment by credit for certificates allotted to it for itself and its customers up to any amount for which it shall be qualified in excess of existing deposits, when so notified by the Federal Reserve Bank of its district.

V. GENERAL PROVISIONS

1. As fiscal agents of the United States, Federal Reserve Banks are authorized and requested to receive subscriptions, to make allotments on the basis and up to the amounts indicated by the Secretary of the Treasury to the Federal Reserve Banks of the respective districts, to issue allotment notices, to receive payment for certificates allotted, to make delivery of certificates on full-paid subscriptions allotted, and they may issue interim receipts pending delivery of the definitive certificates.

2. The Secretary of the Treasury may at any time, or from time to time, prescribe supplemental or amendatory rules and regulations governing the offering, which will be communicated promptly to the Federal Reserve Banks.

HENRY MORGENTHAU, Jr.,
Secretary of the Treasury.

Exhibit 6

Subscriptions and allotments, Treasury certificates of indebtedness of Series B–1943 (from press releases, August 7, 11, and 15, 1942 [1])

On August 6, 1942, Secretary of the Treasury Morgenthau announced that the subscription books for the offering of ⅞ percent Treasury certificates of indebtedness would close at the close of business August 7. Subscriptions aggregated $3,272,818,000, of which $1,609,332,000 were allotted. Subscriptions up to and including $25,000, totaling about $71,000,000, were allotted in full; and subscriptions over $25,000 were allotted 48 percent, on a straight percentage basis, but not less than $25,000 on any one subscription, with adjustments, where necessary, to the $1,000 denomination.

[1] Revised Sept. 26, 1942.

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Subscriptions and allotments were divided among the Federal Reserve districts and the Treasury as follows:

Federal Reserve district	Subscriptions received	Subscriptions allotted
Boston	$159,515,000	$78,454,000
New York	1,448,236,000	698,529,000
Philadelphia	142,119,000	70,408,000
Cleveland	158,627,000	80,633,000
Richmond	100,147,000	49,922,000
Atlanta	117,730,000	59,005,000
Chicago	559,485,000	278,194,000
St. Louis	109,993,000	56,309,000
Minneapolis	48,294,000	26,385,000
Kansas City	94,237,000	47,999,000
Dallas	84,357,000	41,872,000
San Francisco	250,062,000	121,606,000
Treasury	16,000	16,000
Total	3,272,818,000	1,609,332,000

Exhibit 7

Offering of 0.65 percent Treasury certificates of indebtedness of Series C–1943 and 1¼ percent Treasury notes of Series C–1945

On September 10, 1942, Secretary of the Treasury Morgenthau invited cash subscriptions for 0.65 percent Treasury certificates of indebtedness of Series C–1943 and 1¼ percent Treasury notes of Series C–1945, each in the amount of $1,500,000,000, or thereabouts.

[Certificates of indebtedness. Department Circular No. 691. Public Debt]

TREASURY DEPARTMENT,
Washington, September 10, 1942.

I. OFFERING OF CERTIFICATES

1. The Secretary of the Treasury, pursuant to the authority of the Second Liberty Bond Act, as amended, invites subscriptions, at par and accrued interest, from the people of the United States for certificates of indebtedness of the United States, designated 0.65 percent Treasury certificates of indebtedness of Series C–1943. The amount of the offering is $1,500,000,000, or thereabouts.

II. DESCRIPTION OF CERTIFICATES

1. The certificates will be dated September 21, 1942, and will bear interest from that date at the rate of 0.65 percent per annum, payable on an annual basis at the maturity of the certificates. They will mature May 1, 1943, and will not be subject to call for redemption prior to maturity.[1] * * *

4. Bearer certificates with one interest coupon attached will be issued in denominations of $1,000, $5,000, $10,000, and $100,000. The certificates will not be issued in registered form.[1] * * *

III. SUBSCRIPTION AND ALLOTMENT

1. Subscriptions will be received at the Federal Reserve Banks and branches and at the Treasury Department, Washington. Subscribers must agree not to sell or otherwise dispose of their subscriptions, or of the securities which may be allotted thereon, prior to the closing of the subscription books. Banking institutions generally may submit subscriptions for account of customers, but only the Federal Reserve Banks and the Treasury Department are authorized to act as official agencies. Others than banking institutions will not be permitted to enter subscriptions except for their own account. Subscriptions from banks and trust companies for their own account will be received without deposit. Subscriptions from all others must be accompanied by payment of 5 percent of the amount of certificates applied for * * *[1].

[1] Omitted portion similar to corresponding section of Department Circular No. 693, p. 293.

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IV. PAYMENT

1. Payment at par and accrued interest, if any, for certificates allotted hereunder must be made or completed on or before September 21, 1942, or on later allotment. In every case where payment is not so completed, the payment with application up to 5 percent of the amount of certificates applied for shall, upon declaration made by the Secretary of the Treasury in his discretion, be forfeited to the United States. Any qualified depositary will be permitted to make payment by credit for certificates allotted to it for itself and its customers up to any amount for which it shall be qualified in excess of existing deposits, when so notified by the Federal Reserve Bank of its district.

V. GENERAL PROVISIONS

1. As fiscal agents of the United States, Federal Reserve Banks are authorized and requested to receive subscriptions * * *[1].

HENRY MORGENTHAU, Jr.,
Secretary of the Treasury.

[Treasury notes. Department Circular No. 694. Public Debt]

TREASURY DEPARTMENT,
Washington, September 10, 1942.

I. OFFERING OF NOTES

1. The Secretary of the Treasury, pursuant to the authority of the Second Liberty Bond Act, as amended, invites subscriptions, at par and accrued interest, from the people of the United States for notes of the United States, designated 1¼ percent Treasury notes of Series C–1945. The amount of the offering is $1,500,000,000, or thereabouts.

II. DESCRIPTION OF NOTES

1. The notes will be dated September 25, 1942, and will bear interest from that date at the rate of 1¼ percent per annum, payable on a semiannual basis on March 15 and September 15 in each year until the principal becomes payable. They will mature March 15, 1945, and will not be subject to call for redemption prior to maturity.

2. The income derived from the notes shall be subject to all Federal taxes, now or hereafter imposed. The notes shall be subject to estate, inheritance, gift or other excise taxes, whether Federal or State, but shall be exempt from all taxation now or hereafter imposed on the principal or interest thereof by any State, or any of the possessions of the United States, or by any local taxing authority.

3. The notes will be accepted at par during such time and under such rules and regulations as shall be prescribed or approved by the Secretary of the Treasury in payment of income and profits taxes payable at the maturity of the notes.

4. The notes will be acceptable to secure deposits of public moneys, but will not bear the circulation privilege.

5. Bearer notes with interest coupons attached will be issued in denominations of $100, $500, $1,000, $5,000, $10,000, and $100,000. The notes will not be issued in registered form.

6. The notes will be subject to the general regulations of the Treasury Department, now or hereafter prescribed, governing United States notes.

III. SUBSCRIPTION AND ALLOTMENT

1. Subscriptions will be received at the Federal Reserve Banks and branches and at the Treasury Department, Washington. Subscribers must agree not to sell or otherwise dispose of their subscriptions, or of the securities which may be allotted thereon, prior to the closing of the subscription books. Banking institutions generally may submit subscriptions for account of customers, but only the Federal Reserve Banks and the Treasury Department are authorized to act as official agencies. Others than banking institutions will not be permitted to enter subscriptions except for their own account. Subscriptions from banks and trust companies for their own account will be received without deposit. Subscriptions

[1] Omitted portion similar to corresponding section of Department Circular No. 693, p. 293.

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from all others must be accompanied by payment of 5 percent of the amount of notes applied for.

2. The Secretary of the Treasury reserves the right to reject any subscription, in whole or in part, to allot less than the amount of notes applied for, and to close the books as to any or all subscriptions at any time without notice; and any action he may take in these respects shall be final. Subject to these reservations, subscriptions for amounts up to and including $25,000 will be allotted in full. The basis of the allotment on all other subscriptions will be publicly announced, and allotment notices will be sent out promptly upon allotment.

IV. PAYMENT

1. Payment at par and accrued interest, if any, for notes allotted hereunder must be made or completed on or before September 25, 1942, or on later allotment. In every case where payment is not so completed, the payment with application up to 5 percent of the amount of notes applied for shall, upon declaration made by the Secretary of the Treasury in his discretion, be forfeited to the United States. Any qualified depositary will be permitted to make payment by credit for notes allotted to it for itself and its customers up to any amount for which it shall be qualified in excess of existing deposits, when so notified by the Federal Reserve Bank of its district.

V. GENERAL PROVISIONS

1. As fiscal agents of the United States, Federal Reserve Banks are authorized and requested to receive subscriptions, to make allotments on the basis and up to the amounts indicated by the Secretary of the Treasury to the Federal Reserve Banks of the respective districts, to issue allotment notices, to receive payment for notes allotted, to make delivery of notes on full-paid subscriptions allotted, and they may issue interim receipts pending delivery of the definitive notes.

2. The Secretary of the Treasury may at any time, or from time to time, prescribe supplemental or amendatory rules and regulations governing the offering, which will be communicated promptly to the Federal Reserve Banks.

HENRY MORGENTHAU, JR.,
Secretary of the Treasury.

Exhibit 8

Subscriptions and allotments, Treasury certificates of indebtedness of Series C–1943 and Treasury notes of Series C–1945 (from press releases, September 11, 16, and 19, 1942 [1])

On September 10, 1942, Secretary of the Treasury Morgenthau announced that the subscription books for the offering of 0.65 percent certificates of indebtedness of Series C–1943 and 1¼ percent Treasury notes of Series C–1945 would close at the close of business September 11.

Subscriptions for the certificates of indebtedness aggregated $1,992,483,000, of which $1,505,727,000 were allotted. Subscriptions up to and including $25,000, totaling about $44,000,000, were allotted in full; and subscriptions over $25,000 were allotted 75 percent, on a straight percentage basis, but not less than $25,000 on any one subscription, with adjustments, where necessary, to the $1,000 denomination.

Subscriptions for the Treasury notes totaled $3,636,638,900, of which $1,606,204,500 were allotted. Subscriptions up to and including $25,000, totaling about $134,000,000, were allotted in full; and subscriptions over $25,000 were allotted 42 percent, on a straight percentage basis, but not less than $25,000 on any one subscription, with adjustments, where necessary, to the $500 denomination.

[1] Revised Nov. 4 and 12, 1942.

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Subscriptions and allotments were divided among the Federal Reserve districts and the Treasury as follows:

Federal Reserve district	Treasury certificates of indebtedness, Series C-1943		Treasury notes, Series C-1945		Total subscriptions allotted
	Subscriptions received	Subscriptions allotted	Subscriptions received	Subscriptions allotted	
Boston	$76,828,000	$58,265,000	$205,103,500	$89,810,000	$148,075,000
New York	796,913,000	598,856,000	1,395,075,400	591,894,900	1,190,750,900
Philadelphia	68,155,000	51,767,000	147,486,000	65,798,000	117,565,000
Cleveland	91,585,000	69,792,000	174,296,200	79,256,200	149,048,200
Richmond	70,531,000	53,606,000	198,923,800	87,804,800	141,410,800
Atlanta	56,161,000	42,791,000	252,202,500	123,290,000	166,081,000
Chicago	597,208,000	382,903,000	532,806,300	237,891,800	620,794,800
St. Louis	73,301,000	56,025,000	98,781,900	48,189,300	104,214,300
Minneapolis	41,878,000	32,466,000	65,357,100	32,978,100	65,444,100
Kansas City	57,960,000	44,248,000	107,355,300	49,976,000	94,224,000
Dallas	40,831,000	31,181,000	107,966,800	49,430,300	80,611,300
San Francisco	111,132,000	83,827,000	347,384,100	148,247,100	232,074,100
Treasury	----------	----------	3,900,000	1,638,000	1,638,000
Total	1,992,483,000	1,505,727,000	3,636,638,900	1,606,204,500	3,111,931,500

Exhibit 9

Offering of Treasury tax savings notes of Series A–1945 and Series C [1]

On September 12, 1942, Secretary of the Treasury Morgenthau offered for sale two issues of Treasury tax savings notes of Series A–1945 and Series C, both receivable at par and accrued interest in payment of Federal income, estate, and gift taxes. The notes were placed on sale on September 14, 1942. The sale of notes of Tax Series A–1944 and B–1944 was terminated on September 12, 1942.

For the notes of Tax Series A–1945, as well as for Series A–1943, and A–1944, the limitation on the principal amount that may be presented for taxes was raised from $1,200 to $5,000.

The new notes of Series C, which are not presented in payment of taxes and except for those in the names of banks that accept demand deposits, will be redeemable at par and accrued interest either at maturity or, on 30 days' advance notice, during and after the sixth calendar month after the month of issue. The notes may be pledged with banking institutions as collateral loans.

Both Series A–1945 and Series C notes will mature in three years.

[Tax Series A–1945. Department Circular No. 695. Public Debt]

TREASURY DEPARTMENT,
Washington, September 12, 1942.

I. OFFERING OF NOTES

1. The Secretary of the Treasury, pursuant to the authority of the Second Liberty Bond Act, as amended, offers for sale, to the people of the United States, at par and accrued interest, an issue of nontransferable notes of the United States, designated Treasury notes of Tax Series A–1945, which notes, as hereinafter provided, will be receivable, at par and accrued interest, in payment of Federal income, estate, and gift taxes.

2. The notes will be placed on sale September 14, 1942, and the sale will continue until terminated by the Secretary of the Treasury.

3. The sale of Treasury notes of Tax Series A–1944, pursuant to Treasury Department Circular No. 674, dated December 15, 1941, will terminate at the close of business on September 12, 1942.

4. Any holder of a Treasury note, Tax Series A–1944, purchased and bearing a date of issue in September 1942, may surrender such note on or before October 31, 1942, to the agency which issued the note and receive in exchange therefor a Treasury note, Tax Series A–1945, of like face amount inscribed in the same name and bearing the same date of issue, together with a refund of the accrued interest included in the price paid for the surrendered note.

[1] Designation changed June 22, 1943, to Treasury savings notes, Series C; see exhibit 40, p. 339.

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II. DESCRIPTION OF NOTES

1. *General.*—The notes will be dated September 1, 1942; they will mature September 1, 1945, and may not be called by the Secretary of the Treasury for redemption before maturity. Subject to the limitations and conditions set forth in section IV of this circular, the notes will be receivable, at par and accrued interest, in payment of Federal income, estate, and gift taxes. If the notes are not presented in payment of taxes, they will be payable at maturity, or, at the owner's option and request, they will be redeemable before maturity, as provided in section V of this circular, but in either case payment will be made only at the price paid for the notes.

2. *Form, inscription, dating.*—The owner's name and address will be entered on each note at the time of its issue by an authorized issuing agent, and the date of issue will be shown by an imprint of the agent's dating stamp. The month in which payment is received and credited by a Federal Reserve Bank or branch, or by the Treasurer of the United States, will determine the purchase price and issue date of each note. The notes may not be transferred, except, that if notes are held by a corporation owning more than 50 percent of the stock, with voting power, of another corporation, such notes may be transferred to the subsidiary upon request of the corporation and surrender of the notes to the agent that issued them. No hypothecation of the notes on any account will be recognized by the Treasury Department and they will not be accepted to secure deposits of public money.

3. *Denominations and interest.*—The notes will be issued in denominations of $25, $50, $100, $500, $1,000, and $5,000, and interest thereon will accrue from September 1942, in the amount of 16 cents each month on each $100 principal amount of note. In no case, however, shall interest accrue beyond the month in which the note is presented in payment of taxes, or beyond its maturity. Exchanges of authorized denominations from higher to lower, but not from lower to higher, may be arranged at the office of the agent that issued the note.

4. *Purchase price and tax-payment value.*—A table is appended to this circular showing the principal amount with accrued interest added, for notes of each denomination, for each month from September 1942 to September 1945, inclusive. The total shown for any denomination for any month, while the notes remain on sale, is the purchase price, or cost, of the note during that month. Also, the total shown for any denomination for any month is the tax-payment value of the note if receivable during that month in payment of taxes, subject to the provisions of section IV of this circular.

5. *Taxation.*—Income derived from the notes shall be subject to all Federal taxes, now or hereafter imposed. The notes shall be subject to estate, inheritance, gift or other excise taxes, whether Federal or State, but shall be exempt from all taxation now or hereafter imposed on the principal or interest thereof by any State, or any of the possessions of the United States, or by any local taxing authority.

III. PURCHASE OF NOTES

1. *Applications and payment.*—Applications will be received by the Federal Reserve Banks and branches, and by the Treasurer of the United States, Washington, D. C. Banking institutions and security dealers generally may submit applications for account of customers, but only the Federal Reserve Banks and the Treasury Department are authorized to act as official agencies. Every application must be accompanied by payment in full, at par and accrued interest from September 1942 to the month in which payment in immediately available funds is received by a Federal Reserve Bank or branch, or the Treasurer of the United States. Any form of exchange, including personal checks, will be accepted subject to collection, and should be drawn to the order of the Federal Reserve Bank or of the Treasurer of the United States, as payee, as the case may be; war savings stamps will be accepted at their face value in lieu of cash. The date funds are made available on collection of exchange will govern the issue price and issue date of the notes. Any depositary, qualified pursuant to the provisions of Treasury Department Circular No. 92 (revised February 23, 1932, as supplemented) will be permitted to make payment by credit for notes applied for on behalf of itself or its customers up to any amount for which it shall be qualified in excess of existing deposits.

2. *Reservations.*—The Secretary of the Treasury reserves the right to reject any application in whole or in part, and to refuse to issue or permit to be issued hereunder any notes in any case or in any class or classes of cases if he deems

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such action to be in the public interest, and his action in any such respect shall be final. If an application is rejected, in whole or in part, any payment received therefor will be refunded. The Secretary of the Treasury, in his discretion, may designate agencies other than those herein provided for the sale of, or for the handling of applications for, Treasury notes to be issued hereunder.

3. *Delivery of notes.*—Upon acceptance of full-paid applications, notes will be duly issued and, unless delivered in person, will be delivered within the Continental United States, the Territories and Insular Possessions of the United States, and the Canal Zone. No deliveries elsewhere will be made.

4. *Form of application.*—In applying for notes under this circular, care should be exercised to specify that notes of Tax Series A–1945 are desired, and there must be furnished the name and address of the individual, corporation, or other entity in which the notes are to be issued; and if address for the delivery of the notes is different, appropriate instructions should be given. The name should be in the same form as that used in the Federal tax return of the purchaser, except that in the case of joint tax returns of individuals, the notes should be inscribed individually—the notes will not be issued in the names of two or more persons jointly. The application should be accompanied by remittance to cover the purchase price—that is, par—together with accrued interest from September 1942 to the month in which the application will be received and the remittance collected by an authorized issuing agent. The use of an official application form is desirable, but not necessary. Appropriate forms may be obtained on application to any Federal Reserve Bank or branch, or the Treasurer of the United States, Washington, D. C.; banking institutions and security dealers generally will be supplied with forms for the use of their customers.

IV. PRESENTATION IN PAYMENT OF TAXES

1. During and after the second calendar month after the month of purchase (as shown by the issuing agent's dating stamp on each note), during such time, and under such rules and regulations as the Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury, shall prescribe, notes issued hereunder in the name of a taxpayer (individual, corporation, or other entity) may be presented and surrendered, to the extent hereinafter set forth, by such taxpayer, his agent, or his estate, to the Collector of Internal Revenue to whom the tax return is made, and will be receivable by the Collector at par and accrued interest from September 1942, to the month, inclusive (but no accrual beyond September 1945), in which presented in payment of any Federal income taxes (current and back personal and corporation taxes, and excess-profits taxes), or any Federal estate or gift taxes (current and back), assessed against the original purchaser or his estate. Notwithstanding the provisions of Department Circular No. 667, as amended, and of Department Circular No. 674, the Collector will accept (a) not more than $5,000 principal amount of notes of Tax Series A–1945, or of Tax Series A–1943, or of Tax Series A–1944, or of any of them in combination, and (b) the amount of the accrued interest thereon, on account of any one taxpayer's liability for each class of taxes (income, estate, or gift) for each taxable period: *Provided*, That this limitation shall apply separately to husband and wife on a joint return, and shall apply separately to an owner before death and to his estate for the balance of the same year. The notes must be forwarded to the Collector at the risk and expense of the owner, and, for the owner's protection, should be forwarded by registered mail, if not presented in person.

V. CASH REDEMPTION AT OR PRIOR TO MATURITY

1. *General.*—Any Treasury note of Tax Series A–1945, bearing a properly executed request for payment, will be redeemed for cash at the purchase price[2] at or before maturity, without advance notice, following presentation to the agent that issued the note.

2. *Execution of request for payment.*—The owner in whose name the note is inscribed must appear before one of the officers authorized by the Secretary of the Treasury to witness and certify requests for payment, establish his identity, and in the presence of such officer sign the request for payment appearing on the back of the note, adding the address to which check is to be mailed. After the

[2] Amended; see exhibit 24, p. 326.

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request for payment has been so signed, the witnessing officer should complete and sign the certificate provided for his use.

3. *Officers authorized to witness and certify requests for payment.*—All officers authorized to witness and certify requests for payment of United States savings bonds, as set forth in Treasury Department Circular No. 530, Fifth Revision, are hereby authorized to witness and certify requests for cash redemption of Treasury notes issued under this circular. Such officers include, among others, United States postmasters, certain other post office officials, and the officers of all banks and trust companies incorporated in the United States or its organized territories, including officers at branches thereof.

4. *Presentation and surrender.*—Notes bearing properly executed requests for payment must be presented and surrendered to the agent that issued the notes (as shown by the agent's dating stamp), at the expense and risk of the owner. For the owner's protection, notes should be forwarded by registered mail, if not presented in person.

5. *Disability or death.*—In case of the disability or death of the owner, and the notes are not to be presented in payment of Federal income, estate or gift taxes due from him or from his estate, instructions should be obtained from the issuing agent before the request for payment is executed, or the notes presented.

6. *Partial redemption.*—Partial cash redemption of notes corresponding to an authorized denomination, may be made in the same manner as for full cash redemption, appropriate changes being made in the request for payment. In case of partial redemption of a note, the remainder will be reissued in the same name and with the same date of issue as the note surrendered.

7. *Payment.*—Payment of any note, either at maturity or on redemption before maturity, will be made only by the Federal Reserve Bank or branch, or the Treasury Department, as the case may be, that issued the note, and will be made by check drawn to the order of the owner, and mailed to the address given in his request for payment. In any case, payment will be made at the purchase price of the note, that is, at par and accrued interest (if any) paid at the time of purchase.

VI. GENERAL PROVISIONS

1. Except as provided in this circular, the notes issued hereunder will be subject to the general regulations of the Treasury Department, now or hereafter prescribed, governing bonds and notes of the United States.

2. Federal Reserve Banks and their branches, as fiscal agents of the United States, are authorized to perform such services or acts as may be appropriate and necessary under the provisions of this circular, and under any instructions given by the Secretary of the Treasury.

3. The Secretary of the Treasury may at any time or from time to time supplement or amend the terms of this circular, or of any amendments or supplements thereto, and may at any time or from time to time prescribe amendatory rules and regulations governing the offering of the notes, information as to which will promptly be furnished to the Federal Reserve Banks.

HENRY MORGENTHAU, JR.,
Secretary of the Treasury.

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TREASURY NOTES—TAX SERIES A–1945

Purchase price and tax-payment value during successive months

The table below shows the principal amount with accrued interest added, for notes of each denomination, for each month from September 1942 to September 1945, inclusive. The total shown for any denomination for any month while the notes remain on sale is the purchase price, or cost of the note during that month. Also the total shown for any denomination for any month is the tax-payment value of the note if receivable during that month in payment of taxes.

	$25	$50	$100	$500	$1,000	$5,000
1942:						
September	$25.00	$50.00	$100.00	$500.00	$1,000.00	$5,000
October	25.04	50.08	100.16	500.80	1,001.60	5,008
November	25.08	50.16	100.32	501.60	1,003.20	5,016
December	25.12	50.24	100.48	502.40	1,004.80	5,024
1943:						
January	25.16	50.32	100.64	503.20	1,006.40	5,032
February	25.20	50.40	100.80	504.00	1,008.00	5,040
March	25.24	50.48	100.96	504.80	1,009.60	5,048
April	25.28	50.56	101.12	505.60	1,011.20	5,056
May	25.32	50.64	101.28	506.40	1,012.80	5,064
June	25.36	50.72	101.44	507.20	1,014.40	5,072
July	25.40	50.80	101.60	508.00	1,016.00	5,080
August	25.44	50.88	101.76	508.80	1,017.60	5,088
September	25.48	50.96	101.92	509.60	1,019.20	5,096
October	25.52	51.04	102.08	510.40	1,020.80	5,104
November	25.56	51.12	102.24	511.20	1,022.40	5,112
December	25.60	51.20	102.40	512.00	1,024.00	5,120
1944:						
January	25.64	51.28	102.56	512.80	1,025.60	5,128
February	25.68	51.36	102.72	513.60	1,027.20	5,136
March	25.72	51.44	102.88	514.40	1,028.80	5,144
April	25.76	51.52	103.04	515.20	1,030.40	5,152
May	25.80	51.60	103.20	516.00	1,032.00	5,160
June	25.84	51.68	103.36	516.80	1,033.60	5,168
July	25.88	51.76	103.52	517.60	1,035.20	5,176
August	25.92	51.84	103.68	518.40	1,036.80	5,184
September	25.96	51.92	103.84	519.20	1,038.40	5,192
October	26.00	52.00	104.00	520.00	1,040.00	5,200
November	26.04	52.08	104.16	520.80	1,041.60	5,208
December	26.08	52.16	104.32	521.60	1,043.20	5,216
1945:						
January	26.12	52.24	104.48	522.40	1,044.80	5,224
February	26.16	52.32	104.64	523.20	1,046.40	5,232
March	26.20	52.40	104.80	524.00	1,048.00	5,240
April	26.24	52.48	104.96	524.80	1,049.60	5,248
May	26.28	52.56	105.12	525.60	1,051.20	5,256
June	26.32	52.64	105.28	526.40	1,052.80	5,264
July	26.36	52.72	105.44	527.20	1,054.40	5,272
August	26.40	52.80	105.60	528.00	1,056.00	5,280
September	26.44	52.88	105.76	528.80	1,057.60	5,288

[Tax Series C. Department Circular No. 696. Public Debt]

TREASURY DEPARTMENT,
Washington, September 12, 1942.

I. OFFERING OF NOTES

1. The Secretary of the Treasury, pursuant to the authority of the Second Liberty Bond Act, as amended, offers for sale, to the people of the United States, at par, an issue of notes of the United States, designated Treasury notes of Tax Series C,[1] which notes, as hereinafter provided, will be receivable, at par and accrued interest, in payment of Federal income, estate, and gift taxes.

2. The notes will be placed on sale September 14, 1942, and the sale will continue until terminated by the Secretary of the Treasury.

3. The sale of Treasury notes of Tax Series B–1944, pursuant to Treasury Department Circular No. 674, dated December 15, 1941, will terminate at the close of business on September 12, 1942.

4. Any holder of Treasury notes, Tax Series B–1944, purchased and bearing a date of issue in September 1942, may surrender such notes on or before September 30, 1942, to the agency which issued the notes and receive in exchange therefor

[1] Designation changed June 22, 1943, to Treasury savings notes, Series C; see exhibit 40, p. 339.

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Treasury notes, Tax Series C–1945, of like face amount inscribed in the same name and issued as of the first day of September 1942, together with a refund of the accrued interest included in the price paid for the surrendered notes: *Provided*, That where less than $1,000 of such Series B–1944 notes are so held, they may be surrendered with the cash difference to be exchanged for a $1,000 Series C–1945 note.

II. DESCRIPTION OF NOTES

1. *General.*—The notes of Tax Series C will, in each instance, be dated as of the first day of the month in which payment, at par, is received and credited by an agent authorized to issue the notes. They will mature 3 years from such date, and may not be called by the Secretary of the Treasury for redemption before maturity. All notes issued during any one calendar year shall constitute a separate series indicated by the letter "C" followed by the year of maturity. Subject to the provisions of section IV of this circular, the notes will be receivable, at par and accrued interest, in payment of Federal income, estate, and gift taxes. If not presented in payment of taxes, the notes will be payable at maturity, or, at the owner's option and request, they will be redeemable before maturity, subject to the provisions of section V of this circular.

2. At the time of issue, the authorized issuing agent will inscribe on the face of each note the name and address of the owner, will enter the date as of which the note is issued, and will imprint his dating stamp (with current date). The notes will be issued in denominations of $1,000, $5,000, $10,000, $100,000, $500,000, and $1,000,000. Exchanges of authorized denominations from higher to lower, but not from lower to higher may be arranged at the office of the agent that issued the note.

3. The notes may not be transferred in ordinary course; they may be pledged as collateral for loans from banking institutions, but no other hypothecation will be recognized by the Treasury Department: *Provided*, if held by a corporation owning more than 50 percent of the stock, with voting power, of another corporation, the notes may be transferred to the subsidiary, upon request of the corporation and surrender of the notes to the agent that issued them: *And provided further*, if notes pledged as collateral for a loan are acquired because of the failure of a loan to be paid, the notes will be redeemed at par and accrued interest to the month in which acquired on surrender of the notes to the agent that issued them, accompanied by proof of the date of acquisition and by request of the pledgee under power of attorney given by the pledgor in whose name the notes are inscribed, and in any such cases the limitations on redemption before maturity provided in paragraph 1 (a) of section V of this circular shall not apply; the notes will not be transferred to the pledgee. The notes will not be acceptable to secure deposits of public money.

4. *Interest.*—Interest on each $1,000 principal amount of notes of Tax Series C will accrue each month from the month of issue, on a graduated scale, as follows:

	Each month
First to sixth months, inclusive	$0.50
Seventh to twelfth months, inclusive	.80
Thirteenth to eighteenth months, inclusive	.90
Nineteenth to twenty-fourth months, inclusive	1.00
Twenty-fifth to thirty-sixth months, inclusive	1.10

5. The table appended to this circular shows for notes of each denomination, for each consecutive calendar month from month of issue to month of maturity, (a) the amount of interest accrual, (b) the principal amount of the note with accrued interest (cumulative) added, and (c) the approximate investment yields. In no case shall interest accrue beyond the month in which the note is presented in payment of taxes, or for redemption before maturity as provided in section V of this circular, or beyond its maturity. Interest will be paid only with the principal amount.

6. *Taxation.*—Income derived from the notes shall be subject to all Federal taxes, now or hereafter imposed. The notes shall be subject to estate, inheritance, gift or other excise taxes, whether Federal or State, but shall be exempt from all taxation now or hereafter imposed on the principal or interest thereof by any State, or any of the possessions of the United States, or by any local taxing authority.

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III. PURCHASE OF NOTES

1. *Applications and payment.*—Applications will be received by the Federal Reserve Banks and branches, and by the Treasurer of the United States, Washington, D. C. Banking institutions and security dealers generally may submit applications for account of customers, but only the Federal Reserve Banks and the Treasury Department are authorized to act as official agencies. Every application must be accompanied by payment in full, at par. Any form of exchange, including personal checks, will be accepted subject to collection, and should be drawn to the order of the Federal Reserve Bank or of the Treasurer of the United States, as payee, as the case may be. The date funds are made available on collection of exchange will govern the issue date of the notes. Any depositary, qualified pursuant to the provisions of Treasury Department Circular No. 92 (revised February 23, 1932, as supplemented) will be permitted to make payment by credit for notes applied for on behalf of itself or its customers up to any amount for which it shall be qualified in excess of existing deposits.

2. *Reservations.*—The Secretary of the Treasury reserves the right to reject any application in whole or in part, and to refuse to issue or permit to be issued hereunder any notes in any case or in any class or classes of cases if he deems such action to be in the public interest, and his action in any such respect shall be final. If an application is rejected, in whole or in part, any payment received therefor will be refunded. The Secretary of the Treasury, in his discretion, may designate agencies other than those herein provided for the sale of, or for the handling of applications for, Treasury notes to be issued hereunder.

3. *Delivery of notes.*—Upon acceptance of full-paid applications, notes will be duly issued and, unless delivered in person, will be delivered within the Continental United States, the Territories and Insular Possessions of the United States, and the Canal Zone. No deliveries elsewhere will be made.

4. *Form of application.*—In applying for notes under this circular, care should be exercised to specify that notes of Tax Series C are desired, and there must be furnished the name and address of the individual, corporation, or other entity in which the notes are to be issued; and if address for delivery of the notes is different, appropriate instructions should be given. The name should be in the same form as that used in the Federal tax return of the purchaser, except that in the case of joint tax returns of individuals, the notes should be inscribed individually—the notes will not be issued in the names of two or more persons jointly. The application should be accompanied by remittance to cover the purchase price—that is, par. The use of an official application form is desirable, but not necessary. Appropriate forms may be obtained on application to any Federal Reserve Bank or branch, or the Treasurer of the United States, Washington, D. C.; banking institutions and security dealers generally will be supplied with forms for the use of their customers.

IV. PRESENTATION IN PAYMENT OF TAXES

1. During and after the second calendar month after the month of purchase (as shown by the issue date on each note), during such time, and under such rules and regulations as the Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury, shall prescribe, notes issued hereunder in the name of a taxpayer (individual, corporation, or other entity) may be presented and surrendered by such taxpayer, his agent, or his estate, to the Collector of Internal Revenue to whom the tax return is made, and will be receivable by the Collector at par and accrued interest from the month of issue to the month, inclusive (but no accrual beyond maturity), in which presented, in payment of any Federal income taxes (current and back personal and corporation taxes, and excess-profits taxes), or any Federal estate or gift taxes (current and back), assessed against the original purchaser or his estate. The notes must be forwarded to the Collector at the risk and expense of the owner, and, for the owner's protection, should be forwarded by registered mail, if not presented in person.

V. CASH REDEMPTION AT OR PRIOR TO MATURITY

1. *General.*—(a) Any Treasury note of Tax Series C not presented in payment of taxes will be paid at maturity, or, at the option and request of the owner, will be redeemed before maturity, but the notes may be redeemed before maturity only during and after the sixth calendar month after the month of issue (as shown on the face of each note), on 30 days' advance notice. The timely surrender of

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a note, bearing a properly executed request for payment, will be accepted as constituting the advance notice required hereunder.

(b) Payment at maturity or on redemption before maturity will be made at par and accrued interest to the month of payment, except, if a note is inscribed in the name of a bank that accepts demand deposits, payment at maturity or on redemption before maturity will be made only at the issue price, or par, of the note. However, if a note is acquired by any such bank through forfeiture of a loan, payment will be made at the redemption value for the month in which so acquired.

2. *Execution of request for payment.*—The owner in whose name the note is inscribed must appear before one of the officers authorized by the Secretary of the Treasury to witness and certify requests for payment, establish his identity, and in the presence of such officer sign the request for payment appearing on the back of the note, adding the address to which check is to be mailed. After the request for payment has been so signed, the witnessing officer should complete and sign the certificate provided for his use.

3. *Officers authorized to witness and certify requests for payment.*—All officers authorized to witness and certify requests for payment of United States savings bonds, as set forth in Treasury Department Circular No. 530, Fifth Revision, are hereby authorized to witness and certify requests for cash redemption of Treasury notes issued under this circular. Such officers include, among others, United States postmasters, certain other post office officials, and the officers of all banks and trust companies incorporated in the United States or its organized territories, including officers at branches thereof.

4. *Presentation and surrender.*—Notes bearing properly executed requests for payment must be presented and surrendered to the agent that issued the notes (as shown by the agent's dating stamp), at the expense and risk of the owner. For the owner's protection, notes should be forwarded by registered mail, if not presented in person.

5. *Disability or death.*—In case of the disability or death of the owner, and the notes are not to be presented in payment of Federal income, estate or gift taxes due from him or from his estate, instructions should be obtained from the issuing agent before the request for payment is executed, or the notes presented.

6. *Partial redemption.*—Partial cash redemption of a note, corresponding to an authorized denomination, may be made in the same manner as for full cash redemption, appropriate changes being made in the request for payment. In case of partial redemption of a note, the remainder will be reissued in the same name and with the same date of issue as the note surrendered.

7. *Payment.*—Payment of any note, either at maturity or on redemption before maturity, will be made only by the Federal Reserve Bank or branch, or the Treasury Department, as the case may be, that issued the note, and will be made by check drawn to the order of the owner, and mailed to the address given in his request for payment.

VI. GENERAL PROVISIONS

1. Except as provided in this circular, the notes issued hereunder will be subject to the general regulations of the Treasury Department, now or hereafter prescribed, governing bonds and notes of the United States.

2. Federal Reserve Banks and their branches, as fiscal agents of the United States, are authorized to perform such services or acts as may be appropriate and necessary under the provisions of this circular, and under any instructions given by the Secretary of the Treasury.

3. The Secretary of the Treasury may at any time or from time to time supplement or amend the terms of this circular, or of any amendments or supplements thereto, and may at any time or from time to time prescribe amendatory rules and regulations governing the offering of the notes, information as to which will promptly be furnished to the Federal Reserve Banks.

HENRY MORGENTHAU, JR.,
Secretary of the Treasury.

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TREASURY NOTES—TAX SERIES C

Table of tax-payment or redemption values and investment yields

The table below shows for each month from date of issue to date of maturity the amount of interest accrual; the principal amount with accrued interest added, for notes of each denomination; the approximate investment yield on the par amount from issue date to the beginning of each month following the month of issue; and the approximate investment yield on the current redemption value from the beginning of the month indicated to the month of maturity.

Par value (issue price during month of issue)	$1,000	$5,000	$10,000	$100,000	$500,000	$1,000,000	Approximate investment yield on par amount from issue date to beginning of each monthly period thereafter	Approximate investment yield on current tax-payment or redemption values from beginning of each monthly period to maturity
Amount of interest accrual each month after month of issue	Tax-payment or redemption values during each monthly period after month of issue [1]							
Interest accrues at rate of $0.50 per month per $1,000 par amount:							*Percent*	*Percent* [2] 1.07
First month	$1,000.50	$5,002.50	$10,005.00	$100,050.00	$500,250.00	$1,000,500.00	0.60	1.08
Second month	1,001.00	5,005.00	10,010.00	100,100.00	500,500.00	1,001,000.00	.60	1.09
Third month	1,001.50	5,007.50	10,015.00	100,150.00	500,750.00	1,001,500.00	.60	1.11
Fourth month	1,002.00	5,010.00	10,020.00	100,200.00	501,000.00	1,002,000.00	.60	1.12
Fifth month	1,002.50	5,012.50	10,025.00	100,250.00	501,250.00	1,002,500.00	.60	1.14
Sixth month	1,003.00	5,015.00	10,030.00	100,300.00	501,500.00	1,003,000.00	.60	1.16
Interest accrues at rate of $0.80 per month per $1,000 par amount:								
Seventh month	1,003.80	5,019.00	10,038.00	100,380.00	501,900.00	1,003,800.00	.65	1.17
Eighth month	1,004.60	5,023.00	10,046.00	100,460.00	502,300.00	1,004,600.00	.69	1.17
Ninth month	1,005.40	5,027.00	10,054.00	100,540.00	502,700.00	1,005,400.00	.72	1.18
Tenth month	1,006.20	5,031.00	10,062.00	100,620.00	503,100.00	1,006,200.00	.74	1.19
Eleventh month	1,007.00	5,035.00	10,070.00	100,700.00	503,500.00	1,007,000.00	.76	1.20
Twelfth month	1,007.80	5,039.00	10,078.00	100,780.00	503,900.00	1,007,800.00	.78	1.21
Interest accrues at rate of $0.90 per month per $1,000 par amount:								
Thirteenth month	1,008.70	5,043.50	10,087.00	100,870.00	504,350.00	1,008,700.00	.80	1.22
Fourteenth month	1,009.60	5,048.00	10,096.00	100,960.00	504,800.00	1,009,600.00	.82	1.22
Fifteenth month	1,010.50	5,052.50	10,105.00	101,050.00	505,250.00	1,010,500.00	.84	1.23
Sixteenth month	1,011.40	5,057.00	10,114.00	101,140.00	505,700.00	1,011,400.00	.85	1.24
Seventeenth month	1,012.30	5,061.50	10,123.00	101,230.00	506,150.00	1,012,300.00	.86	1.25
Eighteenth month	1,013.20	5,066.00	10,132.00	101,320.00	506,600.00	1,013,200.00	.88	1.26
Interest accrues at rate of $1.00 per month per $1,000 par amount:								
Nineteenth month	1,014.20	5,071.00	10,142.00	101,420.00	507,100.00	1,014,200.00	.89	1.26
Twentieth month	1,015.20	5,076.00	10,152.00	101,520.00	507,600.00	1,015,200.00	.91	1.26
Twenty-first month	1,016.20	5,081.00	10,162.00	101,620.00	508,100.00	1,016,200.00	.92	1.27
Twenty-second month	1,017.20	5,086.00	10,172.00	101,720.00	508,600.00	1,017,200.00	.93	1.28
Twenty-third month	1,018.20	5,091.00	10,182.00	101,820.00	509,100.00	1,018,200.00	.94	1.28
Twenty-fourth month	1,019.20	5,096.00	10,192.00	101,920.00	509,600.00	1,019,200.00	.95	1.29

[1] Not acceptable in payment of taxes until during and after the second calendar month after the month of issue, and not redeemable for cash until during and after the sixth calendar month after the month of issue, on 30 days' advance notice.

[2] Approximate investment yield for entire period from issuance to maturity.

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TREASURY NOTES—TAX SERIES C—continued

Table of tax-payment or redemption values and investment yields

Par value (issue price during month of issue)	$1,000	$5,000	$10,000	$100,000	$500,000	$1,000,000	Approximate investment yield on par amount from issue date to beginning of each monthly period thereafter	Approximate investment yield on current tax-payment or redemption values from beginning of each monthly period to maturity
Amount of interest accrual each month after month of issue	Tax-payment or redemption values during each monthly period after month of issue							
Interest accrues at rate of $1.10 per month per $1,000 par amount:							*Percent*	*Percent*
Twenty-fifth month	1,020.30	5,101.50	10,203.00	102,030.00	510,150.00	1,020,300.00	0.97	1.29
Twenty-sixth month	1,021.40	5,107.00	10,214.00	102,140.00	510,700.00	1,021,400.00	.98	1.29
Twenty-seventh month	1,022.50	5,112.50	10,225.00	102,250.00	511,250.00	1,022,500.00	.99	1.29
Twenty-eighth month	1,023.60	5,118.00	10,236.00	102,360.00	511,800.00	1,023,600.00	1.00	1.29
Twenty-ninth month	1,024.70	5,123.50	10,247.00	102,470.00	512,350.00	1,024,700.00	1.01	1.29
Thirtieth month	1,025.80	5,129.00	10,258.00	102,580.00	512,900.00	1,025,800.00	1.02	1.29
Thirty-first month	1,026.90	5,134.50	10,269.00	102,690.00	513,450.00	1,026,900.00	1.03	1.29
Thirty-second month	1,028.00	5,140.00	10,280.00	102,800.00	514,000.00	1,028,000.00	1.04	1.29
Thirty-third month	1,029.10	5,145.50	10,291.00	102,910.00	514,550.00	1,029,100.00	1.05	1.28
Thirty-fourth month	1,030.20	5,151.00	10,302.00	103,020.00	515,100.00	1,030,200.00	1.05	1.28
Thirty-fifth month	1,031.30	5,156.50	10,313.00	103,130.00	515,650.00	1,031,300.00	1.06	1.28
Thirty-sixth month, (maturity)	1,032.40	5,162.00	10,324.00	103,240.00	516,200.00	1,032,400.00	1.07	----

Exhibit 10

Offering of 2 percent Treasury bonds of 1950–52 and 1½ percent Treasury notes of Series B–1946 (additional)

On October 8, 1942, Secretary of the Treasury Morgenthau invited cash subscriptions for 2 percent Treasury bonds of 1950–52 and 1½ percent Treasury notes of Series B–1946, the notes being an addition to the series issued pursuant to Department Circular No. 686, dated May 25, 1942. The aggregate amount of both issues was $4,000,000,000, or thereabouts.

[Treasury bonds. Department Circular No. 698. Public Debt]

TREASURY DEPARTMENT,
Washington, October 8, 1942.

I. OFFERING OF BONDS

1. The Secretary of the Treasury, pursuant to the authority of the Second Liberty Bond Act, as amended, invites subscriptions, at par and accrued interest, from the people of the United States for bonds of the United States, designated 2 percent Treasury bonds of 1950–52. At the same time the Secretary of the Treasury is inviting subscriptions for an additional amount of Treasury notes of Series B–1946 under Department Circular No. 699. The aggregate amount of both issues will be $4,000,000,000, or thereabouts. The amount of bonds to be issued hereunder will be determined by the relation which the total subscriptions for the bonds bear to the total subscriptions received for both the bonds and the notes.

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II. DESCRIPTION OF BONDS

1. The bonds will be dated October 19, 1942, and will bear interest from that date at the rate of 2 percent per annum, payable on a semiannual basis on March 15 and September 15 in each year until the principal amount becomes payable. They will mature March 15, 1952, but may be redeemed at the option of the United States on and after March 15, 1950, in whole or in part, at par and accrued interest, on any interest day or days, on 4 months' notice of redemption given in such manner as the Secretary of the Treasury shall prescribe. In case of partial redemption the bonds to be redeemed will be determined by such method as may be prescribed by the Secretary of the Treasury. From the date of redemption designated in any such notice, interest on the bonds called for redemption shall cease.[1] * * *

III. SUBSCRIPTION AND ALLOTMENT

1. Subscriptions will be received at the Federal Reserve Banks and branches and at the Treasury Department, Washington. Subscribers must agree not to sell or otherwise dispose of their subscriptions, or of the securities which may be allotted thereon, prior to the closing of the subscription books. Banking institutions generally may submit subscriptions for account of customers, but only the Federal Reserve Banks and the Treasury Department are authorized to act as official agencies. Others than banking institutions will not be permitted to enter subscriptions except for their own account. Subscriptions from banks and trust companies for their own account will be received without deposit. Subscriptions from all others must be accompanied by payment of 5 percent of the amount of bonds applied for.

2. The Secretary of the Treasury reserves the right to reject any subscription, in whole or in part, to allot less than the amount of bonds applied for, and to close the books as to any or all subscriptions at any time without notice; and any action he may take in these respects shall be final. Subject to these reservations, and within the amount of the offering, subscriptions for amounts up to and including $25,000 from banks which accept demand deposits, and subscriptions in any amount from all other subscribers, will be allotted in full; subscriptions for amounts over $25,000 from banks which accept demand deposits will be allotted on an equal percentage basis, to be publicly announced. Allotment notices will be sent out promptly upon allotment.

IV. PAYMENT

1. Payment at par and accrued interest, if any, for bonds allotted hereunder must be made or completed on or before October 19, 1942, or on later allotment. In every case where payment is not so completed, the payment with application up to 5 percent of the amount of bonds applied for shall, upon declaration made by the Secretary of the Treasury in his discretion, be forfeited to the United States. Any qualified depositary will be permitted to make payment by credit for bonds allotted to it for itself and its customers up to any amount for which it shall be qualified in excess of existing deposits, when so notified by the Federal Reserve Bank of its district.

V. GENERAL PROVISIONS

1. As fiscal agents of the United States, Federal Reserve Banks are authorized and requested to receive subscriptions [1] * * *.

HENRY MORGENTHAU, Jr.,
Secretary of the Treasury.

[Treasury notes. Department Circular No. 699. Public Debt]

TREASURY DEPARTMENT,
Washington, October 8, 1942.

I. OFFERING OF NOTES

1. The Secretary of the Treasury, pursuant to the authority of the Second Liberty Bond Act, as amended, invites subscriptions, at par and accrued interest,

[1] Omitted portion similar to corresponding section of Department Circular No. 689, p. 289.

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rom the people of the United States for notes of the United States, designated 1½ percent Treasury notes of Series B–1946. At the same time the Secretary of the Treasury is inviting subscriptions for 2 percent Treasury bonds of 1950–52 under Department Circular No. 698. The aggregate amount of both issues will be $4,000,000,000, or thereabouts. The amount of notes to be issued hereunder will be determined by the relation which the total subscriptions for the notes bear to the total subscriptions received for both the notes and the bonds.

II. DESCRIPTION OF NOTES

1. The notes now offered will be an addition to and will form a part of the series of 1½ percent Treasury notes of Series B–1946 issued pursuant to Department Circular No. 686, dated May 25, 1942, will be freely interchangeable therewith, are identical in all respects therewith, and are described in the following quotation from Department Circular No. 686:

"1. The notes will be dated June 5, 1942, and will bear interest from that date at the rate of 1½ percent per annum, payable on a semiannual basis on December 15, 1942, and thereafter on June 15 and December 15 in each year until the principal amount becomes payable. They will mature December 15, 1946, and will not be subject to call for redemption prior to maturity.[1] * * *"

III. SUBSCRIPTION AND ALLOTMENT

1. Subscriptions will be received at the Federal Reserve Banks and branches and at the Treasury Department, Washington. Subscribers must agree not to sell or otherwise dispose of their subscriptions, or of the securities which may be allotted thereon, prior to the closing of the subscription books. Banking institutions generally may submit subscriptions for account of customers, but only the Federal Reserve Banks and the Treasury Department are authorized to act as official agencies. Others than banking institutions will not be permitted to enter subscriptions except for their own account. Subscriptions from banks and trust companies for their own account will be received without deposit. Subscriptions from all others must be accompanied by payment of 5 percent of the amount of notes applied for.

2. The Secretary of the Treasury reserves the right to reject any subscription, in whole or in part, to allot less than the amount of notes applied for, and to close the books as to any or all subscriptions at any time without notice; and any action he may take in these respects shall be final. Subject to these reservations, and within the amount of the offering, subscriptions for amounts up to and including $25,000 from banks which accept demand deposits, and subscriptions in any amount from all other subscribers, will be allotted in full; subscriptions for amounts over $25,000 from banks which accept demand deposits will be allotted on an equal percentage basis, to be publicly announced. Allotment notices will be sent out promptly upon allotment.

IV. PAYMENT

1. Payment at par and accrued interest from June 5, 1942, for notes allotted hereunder must be made or completed on or before October 15, 1942, or on later allotment. In every case where payment is not so completed, the payment with application up to 5 percent of the amount of notes applied for shall, upon declaration made by the Secretary of the Treasury in his discretion, be forfeited to the United States. Any qualified depositary will be permitted to make payment by credit for notes allotted to it for itself and its customers up to any amount for which it shall be qualified in excess of existing deposits, when so notified by the Federal Reserve Bank of its district. Accrued interest at 1½ percent from June 5, 1942, to October 15, 1942, on $1,000 face amount is $5.41209.

V. GENERAL PROVISIONS

1. As fiscal agents of the United States, Federal Reserve Banks are authorized and requested to receive subscriptions [1] * * *.

HENRY MORGENTHAU, Jr.,
Secretary of the Treasury.

[1] Omitted portion similar to corresponding section of Department Circular No. 694, p. 296.

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Exhibit 11

Allotments, Treasury bonds of 1950–52 and Treasury notes of Series B–1946 (additional) (from press releases, October 9, 12, and 15, 1942 [1])

On October 8, 1942, Secretary of the Treasury Morgenthau announced that the subscription books for the 2 percent Treasury bonds of 1950–52 and the 1½ percent Treasury notes of Series B–1946 (additional) would close at the close of business October 9. Subscriptions for both issues aggregated $4,105,078,900, of which about 25 percent came from sources other than banks which accept demand deposits. All subscriptions were allotted in full. Allotments were divided among the Federal Reserve districts and the Treasury as follows:

Federal Reserve district	Subscriptions received and allotted		
	Treasury bonds of 1950–52	Treasury notes, Series B–1946 (additional)	Total
Boston	$80, 284, 600	$109, 568, 800	$189, 853, 400
New York	876, 261, 500	862, 567, 700	1, 738, 829, 200
Philadelphia	101, 933, 200	93, 138, 000	195, 071, 200
Cleveland	97, 842, 900	108, 141, 800	205, 984, 700
Richmond	80, 838, 300	75, 482, 500	156, 320, 800
Atlanta	88, 697, 500	67, 752, 500	156, 450, 000
Chicago	247, 393, 100	402, 408, 800	649, 801, 900
St. Louis	59, 203, 700	94, 349, 900	153, 553, 600
Minneapolis	34, 583, 200	57, 090, 200	91, 673, 400
Kansas City	70, 184, 300	74, 834, 100	145, 018, 400
Dallas	59, 994, 300	51, 317, 200	111, 311, 500
San Francisco	159, 130, 700	143, 536, 000	302, 666, 700
Treasury	6, 341, 000	2, 203, 100	8, 544, 100
Total	1, 962, 688, 300	2, 142, 390, 600	4, 105, 078, 900

Exhibit 12

Offering of ⅞ percent Treasury certificates of indebtedness of Series D–1943

On October 26, 1942, Secretary of the Treasury Morgenthau invited cash subscriptions for ⅞ percent Treasury certificates of indebtedness of Series D–1943, in the amount of $2,000,000,000, or thereabouts.

[Department Circular No. 700. Public Debt]

TREASURY DEPARTMENT,
Washington, October 26, 1942.

I. OFFERING OF CERTIFICATES

1. The Secretary of the Treasury, pursuant to the authority of the Second Liberty Bond Act, as amended, invites subscriptions, at par and accrued interest, from the people of the United States for certificates of indebtedness of the United States, designated ⅞ percent Treasury certificates of indebtedness of Series D–1943. The amount of the offering is $2,000,000,000, or thereabouts.

II. DESCRIPTION OF CERTIFICATES

1. The certificates will be dated November 2, 1942, and will bear interest from that date at the rate of ⅞ percent per annum, payable on a semiannual basis on May 1 and November 1, 1943. They will mature November 1, 1943, and will not be subject to call for redemption prior to maturity.[2] * * *

III. SUBSCRIPTION AND ALLOTMENT

1. Subscriptions will be received at the Federal Reserve Banks and branches and at the Treasury Department, Washington. Subscribers must agree not to sell or otherwise dispose of their subscriptions, or of the securities which may be allotted thereon, prior to the closing of the subscription books. Banking institutions and securities dealers generally may submit subscriptions for account of customers, but only the Federal Reserve Banks and the Treasury Department

[1] Revised Nov. 25, 1942.
Omitted portion similar to corresponding section of Department Circular No. 693, p. 293.

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are authorized to act as official agencies. Others than banking institutions and securities dealers will not be permitted to enter subscriptions except for their own account. Subscriptions from banks and trust companies for their own account will be received without deposit. Subscriptions from all others must be accompanied by payment of 2 percent of the amount of certificates applied for.

2. The Secretary of the Treasury reserves the right to reject any subscription, in whole or in part, to allot less than the amount of certificates applied for, and to close the books as to any or all subscriptions at any time without notice; and any action he may take in these respects shall be final. Subject to these reservations, and within the amount of the offering, subscriptions for amounts up to and including $25,000 from banks which accept demand deposits and subscriptions in any amount from all other subscribers, will be allotted in full; subscriptions for amounts over $25,000 from banks which accept demand deposits will be allotted on an equal percentage basis, to be publicly announced. Allotment notices will be sent out promptly upon allotment.

IV. PAYMENT

1. Payment at par and accrued interest, if any, for certificates allotted hereunder must be made or completed on or before November 2, 1942, or on later allotment. In every case where payment is not so completed, the payment with application up to 2 percent of the amount of certificates applied for shall, upon declaration made by the Secretary of the Treasury in his discretion, be forfeited to the United States. Treasury certificates of indebtedness of Series A–1942, maturing November 1, 1942, will be accepted at par in payment for any certificates of the series now offered which shall be allotted.

V. GENERAL PROVISIONS

1. As fiscal agents of the United States, Federal Reserve Banks are authorized and requested to receive subscriptions.[1] * * *

D. W. BELL,
Acting Secretary of the Treasury.

Exhibit 13

Subscriptions and allotments, Treasury certificates of indebtedness of Series D–1943 (from press releases October 27, 29, and 31, 1942 [2])

On October 26, 1942, Secretary of the Treasury Morgenthau announced that the subscription books for the offering of ⅞ percent Treasury certificates of indebtedness of Series D–1943 would close at the close of business October 27. Subscriptions aggregated $3,105,014,000, of which $2,035,254,000 were allotted. Of the subscriptions received, $667,000,000 were allotted in full to all subscribers other than banks accepting demand deposits; $64,000,000 were allotted in full to banks entering subscriptions for not more than $25,000; and the remainder, representing subscriptions from banks for more than $25,000, were allotted 55 percent, but not less than $25,000 on any one subscription, with adjustments, where necessary, to the $1,000 denomination. Subscriptions and allotments were divided among the Federal Reserve districts as follows:

Federal Reserve district	Subscriptions received	Subscriptions allotted
Boston	$170,228,000	$111,994,000
New York	1,615,675,000	1,095,747,000
Philadelphia	95,511,000	57,868,000
Cleveland	166,145,000	104,399,000
Richmond	105,041,000	66,746,000
Atlanta	81,277,000	48,196,000
Chicago	405,158,000	256,430,000
St. Louis	92,122,000	54,810,000
Minneapolis	41,366,000	26,300,000
Kansas City	85,157,000	51,311,000
Dallas	36,409,000	21,709,000
San Francisco	210,925,000	139,744,000
Total	3,105,014,000	2,035,254,000

[1] Omitted portion similar to corresponding section of Department Circular No. 693, p. 293.
[2] Revised Nov. 25, 1942.

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Exhibit 14

Offering of 2½ percent Treasury bonds of 1963–68, 1¾ percent Treasury bonds of 1948, and ⅞ percent Treasury certificates of indebtedness of Series E–1943

On November 30, 1942, Secretary of the Treasury Morgenthau invited cash subscriptions for unspecified amounts of 2½ percent Treasury bonds of 1963–68, 1¾ percent Treasury bonds of 1948, and ⅞ percent Treasury certificates of indebtedness of Series E–1943. The Treasury bonds of 1963–68 carried the provision for their optional redemption, upon the death of the owner, for the purpose of satisfying Federal estate taxes; these bonds were not available for subscription, for their own account, by commercial banks which accepted demand deposits. The Treasury bonds of 1948 and Treasury certificates of indebtedness were intended for the banks as well as for other investors, sales to the commercial banks having been limited to $2,000,000,000, or thereabouts, for each series.

[Treasury bonds of 1963-68. Department Circular No. 701. Public Debt]

TREASURY DEPARTMENT,
Washington, November 30, 1942.

I. OFFERING OF BONDS

1. The Secretary of the Treasury, pursuant to the authority of the Second Liberty Bond Act, as amended, invites subscriptions, at par and accrued interest, from the people of the United States for bonds of the United States, designated 2½ percent Treasury bonds of 1963–68. These bonds will not be available for subscription, for their own account, by commercial banks, which are defined for this purpose as banks accepting demand deposits. The amount of the offering is not specifically limited.

II. DESCRIPTION OF BONDS

1. The bonds will be dated December 1, 1942, and will bear interest from that date at the rate of 2½ percent per annum, payable on a semiannual basis on June 15 and December 15, 1943, and thereafter on June 15 and December 15 in each year until the principal amount becomes payable. They will mature December 15, 1968, but may be redeemed at the option of the United States on and after December 15, 1963, in whole or in part, at par and accrued interest, on any interest day or days, on 4 months' notice of redemption given in such manner as the Secretary of the Treasury shall prescribe. In case of partial redemption the bonds to be redeemed will be determined by such method as may be prescribed by the Secretary of the Treasury. From the date of redemption designated in any such notice, interest on the bonds called for redemption shall cease.

2. The income derived from the bonds shall be subject to all Federal taxes, now or hereafter imposed. The bonds shall be subject to estate, inheritance, gift or other excise taxes, whether Federal or State, but shall be exempt from all taxation now or hereafter imposed on the principal or interest thereof by any State, or any of the possessions of the United States, or by any local taxing authority.

3. The bonds will not be acceptable to secure deposits of public moneys before December 1, 1952; they will not bear the circulation privilege, and they will not be entitled to any privilege of conversion.

4. Bearer bonds with interest coupons attached will be issued in denominations of $500, $1,000, $5,000, $10,000 and $100,000. Bonds registered as to principal and interest will be issued in denominations of $500, $1,000, $5,000, $10,000, $100,000 and $1,000,000. Provision will be made for the interchange of bonds of different denominations and of coupon and registered bonds, and for the transfer of registered bonds, under rules and regulations prescribed by the Secretary of the Treasury, except that they may not, before December 1, 1952, be transferred to or be held by commercial banks, which are defined, for this purpose, as banks accepting demand deposits. However, the bonds may be pledged as collateral for loans, including loans by commercial banks, but any such bank acquiring such bonds before December 1, 1952, because of the failure of such loans to be paid at maturity will be required to dispose of them in the same manner as they dispose of other assets not eligible to be owned by banks.

5. Any bonds issued hereunder which upon the death of the owner constitute part of his estate, will be redeemed at the option of the duly constituted representatives of the deceased owner's estate, at par and accrued interest to date of payment,[1] * * *.

[1] Omitted portion similar to corresponding section of Department Circular No. 692, p. 291.

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IV. PAYMENT

1. Payment at par and accrued interest, if any, for bonds allotted hereunder must be made on or before December 1, 1942, or on later allotment. One day's accrued interest is $0.068 per $1,000. Any qualified depositary will be permitted to make payment by credit for bonds allotted to its customers up to any amount for which it shall be qualified in excess of existing deposits, when so notified by the Federal Reserve Bank of its district.[1] * * *

HENRY MORGENTHAU, Jr.,
Secretary of the Treasury.

[Treasury bonds of 1948. Department Circular No. 702. Public Debt]

TREASURY DEPARTMENT,
Washington, November 30, 1942.

I. OFFERING OF BONDS

1. The Secretary of the Treasury, pursuant to the authority of the Second Liberty Bond Act, as amended, invites subscriptions, at par and accrued interest, from the people of the United States for bonds of the United States, designated 1¾ percent Treasury bonds of 1948. The amount of the offering is not specifically limited, although allotments to commercial banks, which are defined for this purpose as banks accepting demand deposits, for their own account will be limited to $2,000,000,000, or thereabouts. The books will be open today and until further notice for the receipt of subscriptions from others than commercial banks for their own account, and today, December 1, and December 2 for the receipt of subscriptions from commercial banks for their own account.

II. DESCRIPTION OF BONDS

1. The bonds will be dated December 1, 1942, and will bear interest from that date at the rate of 1¾ percent per annum, payable on a semiannual basis on June 15 and December 15, 1943, and thereafter on June 15 and December 15 in each year until the principal amount becomes payable. They will mature June 15, 1948, and will not be subject to call for redemption prior to maturity.[2] * * *

4. Bearer bonds with interest coupons attached will be issued in denominations of $500, $1,000, $5,000, $10,000 and $100,000. Bonds registered as to principal and interest will be issued in denominations of $500, $1,000, $5,000, $10,000, $100,000 and $1,000,000. Provision will be made for the interchange of bonds of different denominations and of coupon and registered bonds, and for the transfer of registered bonds, under rules and regulations prescribed by the Secretary of the Treasury.[2] * * *

III. SUBSCRIPTION AND ALLOTMENT

1. Subscriptions will be received at the Federal Reserve Banks and branches and at the Treasury Department, Washington. Subscribers must agree not to sell or otherwise dispose of their subscriptions, or of the securities which may be allotted thereon, prior to December 3, 1942. Banking institutions and securities dealers generally may submit subscriptions for account of customers, but only the Federal Reserve Banks and the Treasury Department are authorized to act as official agencies. Others than banking institutions and securities dealers will not be permitted to enter subscriptions except for their own account. Subscriptions from commercial banks for their own account will be received without deposit. All other subscriptions must be accompanied by payment in full for the amount of bonds applied for.

2. The Secretary of the Treasury reserves the right to reject any subscription, in whole or in part, to allot less than the amount of bonds applied for, and to close the books as to any or all subscriptions at any time without notice; and any action he may take in these respects shall be final. Subject to these reservations, subscriptions for amounts up to and including $100,000 from commercial banks, and subscriptions in any amount from all other subscribers, will be allotted in full; subscriptions for amounts over $100,000 from commercial banks will be allotted on an equal percentage basis, to be publicly announced. Allotment notices will be sent out promptly upon allotment.

[1] Omitted portion similar to corresponding section of Department Circular No. 692, p. 291.
[2] Omitted portion similar to corresponding section of Department Circular No. 689, p. 289.

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IV. PAYMENT

1. Payment at par and accrued interest, if any, for bonds allotted hereunder to or for the account of others than commercial banks must be made on or before December 1, 1942, or on later allotment. Payment at par and accrued interest to December 11, 1942, for bonds allotted hereunder to commercial banks must be made on that date. One day's accrued interest is $0.048 per $1,000. Any qualified depositary will be permitted to make payment by credit for bonds allotted to it for itself and its customers up to any amount for which it shall be qualified in excess of existing deposits, when so notified by the Federal Reserve Bank of its district.

V. GENERAL PROVISIONS

1. As fiscal agents of the United States, Federal Reserve Banks are authorized and requested to receive subscriptions.[1] * * *

HENRY MORGENTHAU, Jr.,
Secretary of the Treasury.

[Certificates of indebtedness. Department Circular No. 703. Public Debt]

TREASURY DEPARTMENT,
Washington, November 30, 1942.

I. OFFERING OF CERTIFICATES

1. The Secretary of the Treasury, pursuant to the authority of the Second Liberty Bond Act, as amended, invites subscriptions, at par and accrued interest, from the people of the United States for certificates of indebtedness of the United States, designated ⅞ percent Treasury certificates of indebtedness of Series E–1943. The amount of the offering is not specifically limited, although allotments to commercial banks, which are defined for this purpose as banks accepting demand deposits, for their own account will be limited to $2,000,000,000, or thereabouts. The books will be open today and until further notice for the receipt of subscriptions from others than commercial banks for their own account, and on December 16, December 17, and December 18 for the receipt of subscriptions from commercial banks for their own account.

II. DESCRIPTION OF CERTIFICATES

1. The certificates will be dated December 1, 1942, and will bear interest from that date at the rate of ⅞ percent per annum, payable semiannually on June 1 and December 1, 1943. They will mature December 1, 1943, and will not be subject to call for redemption prior to maturity.[2] * * *

III. SUBSCRIPTION AND ALLOTMENT

1. Subscriptions will be received at the Federal Reserve Banks and branches and at the Treasury Department, Washington. Subscribers must agree not to sell or otherwise dispose of their subscriptions, or of the securities which may be allotted thereon, prior to December 19, 1942. Banking institutions and securities dealers generally may submit subscriptions for account of customers, but only the Federal Reserve Banks and the Treasury Department are authorized to act as official agencies. Others than banking institutions and securities dealers will not be permitted to enter subscriptions except for their own account. Subscriptions from commercial banks for their own account will be received without deposit. All other subscriptions must be accompanied by payment in full for the amount of certificates applied for.

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[1] Omitted portion similar to corresponding section of Department Circular No. 689, p. 289.
[2] Omitted portion similar to corresponding section of Department Circular No. 693, p. 293.

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2. The Secretary of the Treasury reserves the right to reject any subscription, in whole or in part, to allot less than the amount of certificates applied for, and to close the books as to any or all subscriptions at any time without notice; and any action he may take in these respects shall be final. Subject to these reservations, subscriptions for amounts up to and including $100,000 from commercial banks, and subscriptions in any amount from all other subscribers, will be allotted in full; subscriptions for amounts over $100,000 from commercial banks will be allotted on an equal percentage basis, to be publicly announced. Allotment notices will be sent out promptly upon allotment.

IV. PAYMENT

1. Payment at par and accrued interest, if any, for certificates allotted hereunder to or for the account of others than commercial banks must be made on or before December 1, 1942, or on later allotment. Payment at par and accrued interest to December 28, 1942, for certificates allotted hereunder to commercial banks must be made on that date. One day's accrued interest is $0.024 per $1,000. Any qualified depositary will be permitted to make payment by credit for certificates allotted to it for itself and its customers up to any amount for which it shall be qualified in excess of existing deposits, when so notified by the Federal Reserve Bank of its District.

V. GENERAL PROVISIONS

1. As fiscal agents of the United States, Federal Reserve Banks are authorized and requested to receive subscriptions [1] * * *.

HENRY MORGENTHAU, Jr.,
Secretary of the Treasury.

Exhibit 15

Subscriptions and allotments, Treasury bonds of 1963–68, Treasury bonds of 1948, and Treasury certificates of indebtedness of Series E–1943 (from press releases, December 5, 11, 12, 21, and 26, 1942 [2])

On December 5, 1942, Secretary of the Treasury Morgenthau announced that the subscriptions from commercial banks for their own account for 1¾ percent Treasury bonds of 1948, for which the subscription books were open to these banks for three days, from November 30 to December 2, aggregated $2,360,369,000. These subscriptions were allotted in full to banks entering subscriptions for not more than $100,000, and the remainder were allotted 85 percent, but not less than $100,000 on any one subscription, with adjustments, where necessary, to the $1,000 denomination.

On December 12, 1942, Secretary Morgenthau announced that the subscription books for the 2½ percent Treasury bonds of 1963–68, 1¾ percent Treasury bonds of 1948, and ⅞ percent certificates of indebtedness of Series E–1943 would close at the close of business December 23 for subscriptions from others than the commercial banks.

For the commercial banks, for their own account, the issue of certificates of indebtedness was open for subscriptions for three days, from December 16 to 18; these subscriptions by the banks aggregated $3,502,690,000. Subscriptions up to and including $100,000, totaling about $277,000,000, were allotted in full; and subscriptions over $100,000 were allotted 57 percent, but not less than $100,000 on any one subscription, with adjustments, where necessary, to the $1,000 denomination.

Subscriptions to the three issues from others than commercial banks were allotted in full.

[1] Omitted portion similar to corresponding section of Department Circular No. 693, p. 293.
[2] Revised Mar. 17 and Apr. 20, 1943.

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The subscriptions and allotments for the three issues were divided among the Federal Reserve districts and the Treasury as follows:

Federal Reserve district	2½% Treasury bonds of 1963-68 [1]	1¾% Treasury bonds of 1948				
		Commercial banks		Others	Total	
	Subscriptions received and allotted	Subscriptions	Allotments	Subscriptions and allotments	Subscriptions	Allotments
	In thousands of dollars					
Boston	252,768	103,976	90,756	83,745	187,721	174,501
New York	1,664,503	760,328	651,356	641,266	1,401,594	1,292,622
Philadelphia	132,164	117,624	104,226	17,420	135,044	121,646
Cleveland	109,802	162,613	143,872	44,780	207,392	188,652
Richmond	65,256	106,343	94,396	37,659	144,002	132,055
Atlanta	21,986	103,866	91,943	31,770	135,636	123,712
Chicago	155,076	409,034	359,034	56,400	465,434	415,972
St. Louis	23,094	93,616	84,202	13,517	107,133	97,719
Minneapolis	30,914	80,737	73,052	8,342	89,078	81,394
Kansas City	49,559	104,289	92,426	14,523	118,812	106,949
Dallas	26,096	87,708	77,529	9,939	97,647	87,468
San Francisco	57,700	230,067	197,589	38,692	268,759	236,281
Treasury	241,996			2,886	2,886	2,886
Total	2,830,914	2,360,200	2,060,919	1,000,937	3,361,137	3,061,856

NOTE.—Figures are rounded to nearest thousand and will not necessarily add to totals.

[1] Not available for subscription, for their own account, by commercial banks which accept demand deposits.

Federal Reserve district	⅞% certificates of indebtedness of Series E-1943				
	Commercial banks		Others	Total	
	Subscriptions	Allotments	Subscriptions and allotments	Subscriptions	Allotments
	In thousands of dollars				
Boston	199,299	118,958	78,513	277,812	197,471
New York	1,293,455	747,562	1,060,596	2,354,051	1,808,158
Philadelphia	128,239	81,557	48,691	176,930	130,248
Cleveland	257,212	159,612	78,208	335,420	237,820
Richmond	149,405	93,095	51,154	200,559	144,249
Atlanta	173,834	108,336	34,206	208,040	142,542
Chicago	500,827	311,406	226,363	727,190	537,769
St. Louis	147,436	100,284	22,598	170,034	122,882
Minneapolis	106,777	71,023	8,817	115,594	79,840
Kansas City	107,238	70,307	13,989	121,227	84,296
Dallas	117,339	74,040	17,965	135,304	92,005
San Francisco	315,242	184,441	37,954	353,196	222,395
Treasury			61	61	61
Total	3,496,303	2,120,621	1,679,115	5,175,418	3,799,736

NOTE.—Figures are rounded to nearest thousand and will not necessarily add to totals.

Exhibit 16

Offering of ⅞ percent Treasury certificates of indebtedness of Series A-1944

On January 21, 1943, Secretary of the Treasury Morgenthau invited cash subscriptions for ⅞ percent Treasury certificates of indebtedness of Series A-1944, in the amount of $2,000,000,000, or thereabouts.

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[Department Circular No. 705. Public Debt]

TREASURY DEPARTMENT,
Washington, January 21, 1943.

I. OFFERING OF CERTIFICATES

1. The Secretary of the Treasury, pursuant to the authority of the Second Liberty Bond Act, as amended, invites subscriptions, at par and accrued interest, from the people of the United States for certificates of indebtedness of the United States, designated ⅞ percent Treasury certificates of indebtedness of Series A–1944. The amount of the offering is $2,000,000,000, or thereabouts.

II. DESCRIPTION OF CERTIFICATES

1. The certificates will be dated February 1, 1943, and will bear interest from that date at the rate of ⅞ percent per annum, payable semiannually on August 1, 1943, and February 1, 1944. They will mature February 1, 1944, and will not be subject to call for redemption prior to maturity.[1] * * *

4. Bearer certificates with two interest coupons attached will be issued in denominations of $1,000, $5,000, $10,000, $100,000 and $1,000,000. The certificates will not be issued in registered form.[1] * * *

III. SUBSCRIPTION AND ALLOTMENT

1. Subscriptions will be received at the Federal Reserve Banks and branches and at the Treasury Department, Washington. Subscribers must agree not to sell or otherwise dispose of their subscriptions, or of the securities which may be allotted thereon, prior to the closing of the subscription books. Banking institutions and securities dealers generally may submit subscriptions for account of customers, but only the Federal Reserve Banks and the Treasury Department are authorized to act as official agencies. Others than banking institutions and securities dealers will not be permitted to enter subscriptions except for their own account. Subscriptions from banks and trust companies for their own account will be received without deposit. Subscriptions from all others must be accompanied by payment of 2 percent of the amount of certificates applied for.

2. The Secretary of the Treasury reserves the right to reject any subscription, in whole or in part, to allot less than the amount of certificates applied for, and to close the books as to any or all subscriptions at any time without notice; and any action he may take in these respects shall be final. Subject to these reservations, subscriptions for amounts up to and including $100,000 from banks which accept demand deposits, and subscriptions in any amount from all other subscribers, will be allotted in full; subscriptions for amounts over $100,000 from banks which accept demand deposits will be allotted on an equal percentage basis, to be publicly announced. Allotment notices will be sent out promptly upon allotment.

IV. PAYMENT

1. Payment at par and accrued interest, if any, for certificates allotted hereunder must be made or completed on or before February 1, 1943, or on later allotment. In every case where payment is not so completed, the payment with application up to 2 percent of the amount of certificates applied for shall, upon declaration made by the Secretary of the Treasury in his discretion, be forfeited to the United States. Treasury certificates of indebtedness of Series A–1943, maturing February 1, 1943, will be accepted at par in payment for any certificates of the series now offered which shall be allotted.

V. GENERAL PROVISIONS

1. As fiscal agents of the United States, Federal Reserve Banks are authorized and requested to receive subscriptions[1] * * *.

D. W. BELL,
Acting Secretary of the Treasury.

[1] Omitted portion similar to corresponding section of Department Circular No. 693, p. 293.

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Exhibit 17

Subscriptions and allotments, Treasury certificates of indebtedness of Series A–1944 (from press releases, January 22, 26, and 30, 1943 [1])

On January 21, 1943, Secretary of the Treasury Morgenthau announced that the subscription books for the offering of ⅞ percent Treasury certificates of indebtedness of Series A–1944 would close at the close of business January 23. Subscriptions aggregated $6,402,093,000, of which $2,211,161,000 were allotted. Of the subscriptions received, $1,163,000,000 were allotted in full to subscribers other than banks accepting demand deposits, $309,000,000 were allotted in full to banks entering subscriptions for not more than $100,000; and the remainder, representing subscriptions from banks for more than $100,000, were allotted 14 percent, but not less than $100,000 on any one subscription, with adjustments, where necessary, to the $1,000 denomination. Subscriptions and allotments were divided among the Federal Reserve districts and the Treasury as follows:

Federal Reserve district	Subscriptions received	Subscriptions allotted
Boston	$333,798,000	$103,061,000
New York	2,839,741,000	1,090,810,000
Philadelphia	220,076,000	72,815,000
Cleveland	324,876,000	114,020,000
Richmond	247,490,000	87,052,000
Atlanta	287,316,000	79,951,000
Chicago	921,018,000	302,905,000
St. Louis	242,691,000	72,541,000
Minneapolis	109,775,000	41,222,000
Kansas City	196,283,000	65,077,000
Dallas	150,953,000	46,559,000
San Francisco	528,061,000	135,123,000
Treasury	15,000	15,000
Total	6,402,093,000	2,211,161,000

Exhibit 18

Call for redemption on June 15, 1943, of 3⅜ percent Treasury bonds of 1943–47

TREASURY DEPARTMENT,
Washington, February 13, 1943.

Secretary of the Treasury Morgenthau announced today that all outstanding 3⅜ percent Treasury bonds of 1943–47 are called for redemption on June 15, 1943. Approximately $454,000,000 of these bonds are now outstanding.

The Secretary stated that the bonds will be paid off in cash, and holders will not be offered other obligations of the United States in exchange for their called bonds.

The text of the formal notice of call is as follows:

THREE AND THREE-EIGHTHS PERCENT TREASURY BONDS OF 1943–47—NOTICE OF CALL FOR REDEMPTION

To Holders of 3⅜ Percent Treasury Bonds of 1943–47, and Others Concerned:

1. Public notice is hereby given that all outstanding 3⅜ percent Treasury bonds of 1943–47, dated June 15, 1927, are hereby called for redemption on June 15, 1943, on which date interest on such bonds will cease.

2. Full information regarding the presentation and surrender of the bonds for redemption under this call will be found in Department Circular No. 666, dated July 21, 1941.

3. These bonds will be redeemed at par, and holders will not be offered other obligations of the United States in exchange for their called bonds.

HENRY MORGENTHAU, Jr.,
Secretary of the Treasury.

[1] Revised Mar. 17, 1943.

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Exhibit 19

Offering of 2½ percent Treasury bonds of 1964–69, 2 percent Treasury bonds of 1950–52, and ⅞ percent Treasury certificates of indebtedness of Series B–1944

On April 12, 1943, Secretary of the Treasury Morgenthau invited cash subscriptions for unspecified amounts of 2½ percent Treasury bonds of 1964–69, 2 percent Treasury bonds of 1950–52, and ⅞ percent Treasury certificates of indebtedness of Series B–1944. The bonds of 1964–69 were not available for subscription, for their own account, by commercial banks accepting demand deposits. Sales of Treasury bonds of 1950–52 and the Treasury certificates of indebtedness to these banks were limited to $2,000,000,000, or thereabouts, for each series.

[Treasury bonds of 1964-69. Department Circular No. 708. Public Debt]

TREASURY DEPARTMENT,
Washington, April 12, 1943.

I. OFFERING OF BONDS

1. The Secretary of the Treasury, pursuant to the authority of the Second Liberty Bond Act, as amended, invites subscriptions, at par and accrued interest, from the people of the United States for bonds of the United States, designated 2½ percent Treasury bonds of 1964–69. These bonds will not be available for subscription, for their own account, by commercial banks, which are defined for this purpose as banks accepting demand deposits. The amount of the offering is not specifically limited.

II. DESCRIPTION OF BONDS

1. The bonds will be dated April 15, 1943, and will bear interest from that date at the rate of 2½ percent per annum, payable on a semiannual basis on June 15 and December 15 in each year until the principal amount becomes payable. They will mature June 15, 1969, but may be redeemed at the option of the United States on and after June 15, 1964, in whole or in part, at par and accrued interest, on any interest day or days, on 4 months' notice of redemption given in such manner as the Secretary of the Treasury shall prescribe. In case of partial redemption the bonds to be redeemed will be determined by such method as may be prescribed by the Secretary of the Treasury. From the date of redemption designated in any such notice, interest on the bonds called for redemption shall cease.

2. The income derived from the bonds shall be subject to all Federal taxes, now or hereafter imposed. The bonds shall be subject to estate, inheritance, gift or other excise taxes, whether Federal or State, but shall be exempt from all taxation now or hereafter imposed on the principal or interest thereof by any State, or any of the possessions of the United States, or by any local taxing authority.

3. The bonds will not be acceptable to secure deposits of public moneys before April 15, 1953; they will not bear the circulation privilege, and they will not be entitled to any privilege of conversion.

4. Bearer bonds with interest coupons attached, and bonds registered as to principal and interest, will be issued in denominations of $500, $1,000, $5,000, $10,000, $100,000 and $1,000,000. Provision will be made for the interchange of bonds of different denominations and of coupon and registered bonds, and for the transfer of registered bonds, under rules and regulations prescribed by the Secretary of the Treasury, except that they may not, before April 15, 1953, be transferred to or be held by commercial banks, which are defined for this purpose as banks accepting demand deposits. However, the bonds may be pledged as collateral for loans, including loans by commercial banks, but any such bank acquiring such bonds before April 15, 1953, because of the failure of such loans to be paid at maturity will be required to dispose of them in the same manner as they dispose of other assets not eligible to be owned by banks.

5. Any bonds issued hereunder which upon the death of the owner constitute part of his estate, will be redeemed at the option of the duly constituted representatives of the deceased owner's estate, at par and accrued interest to date of payment[1] * * *

[1] Omitted portion similar to corresponding section of Department Circular No. 692, p. 291.

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III. SUBSCRIPTION AND ALLOTMENT

1. Subscriptions will be received at the Federal Reserve Banks and branches and at the Treasury Department, Washington. Banking institutions generally may submit subscriptions for account of customers, but only the Federal Reserve Banks and the Treasury Department are authorized to act as official agencies. Subscriptions must be accompanied by payment in full for the amount of bonds applied for.[1] * * *

IV. PAYMENT

1. Payment at par and accrued interest, if any, for bonds allotted hereunder must be made on or before April 15, 1943, or on later allotment. One day's accrued interest is $0.06868 per $1,000. Any qualified depositary will be permitted to make payment by credit for bonds allotted to its customers up to any amount for which it shall be qualified in excess of existing deposits, when so notified by the Federal Reserve Bank of its district.

V. GENERAL PROVISIONS

1. As fiscal agents of the United States, Federal Reserve Banks are authorized and requested to receive subscriptions[1] * * *.

HENRY MORGENTHAU, Jr.,
Secretary of the Treasury.

[Treasury bonds of 1950-52. Department Circular No. 709. Public Debt]

TREASURY DEPARTMENT,
Washington, April 12, 1943.

I. OFFERING OF BONDS

1. The Secretary of the Treasury, pursuant to the authority of the Second Liberty Bond Act, as amended, invites subscriptions, at par and accrued interest, from the people of the United States for bonds of the United States, designated 2 percent Treasury bonds of 1950–52. The amount of the offering is not specifically limited, although allotments to commercial banks, which are defined for this purpose as banks accepting demand deposits, for their own account will be limited to $2,000,000,000, or thereabouts. The books will be open today and until further notice for the receipt of subscriptions from others than commercial banks for their own account, and on April 28, April 29, and April 30 for the receipt of subscriptions from commercial banks for their own account.

II. DESCRIPTION OF BONDS

1. The bonds will be dated April 15, 1943, and will bear interest from that date at the rate of 2 percent per annum, payable on a semiannual basis on September 15, 1943, and thereafter on March 15 and September 15 in each year until the principal amount becomes payable. They will mature September 15, 1952, but may be redeemed at the option of the United States on and after September 15, 1950, in whole or in part, at par and accrued interest, on any interest day or days, on 4 months' notice of redemption given in such manner as the Secretary of the Treasury shall prescribe. In case of partial redemption the bonds to be redeemed will be determined by such method as may be prescribed by the Secretary of the Treasury. From the date of redemption designated in any such notice, interest on the bonds called for redemption shall cease.[2] * * *

4. Bearer bonds with interest coupons attached, and bonds registered as to principal and interest, will be issued in denominations of $500, $1,000, $5,000, $10,000, $100,000 and $1,000,000. Provision will be made for the interchange of bonds of different denominations and of coupon and registered bonds, and for the transfer of registered bonds, under rules and regulations prescribed by the Secretary of the Treasury.[2] * * *

[1] Omitted portion similar to corresponding section of Department Circular No. 692, p. 291.
[2] Omitted portion similar to corresponding section of Department Circular No. 689, p. 289.

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III. SUBSCRIPTION AND ALLOTMENT

1. Subscriptions will be received at the Federal Reserve Banks and branches and at the Treasury Department, Washington. Commercial banks are requested not to buy the securities which may be allotted hereunder to others during the period the subscription books remain open. Banking institutions generally may submit subscriptions for account of customers, but only the Federal Reserve Banks and the Treasury Department are authorized to act as official agencies. Securities dealers and brokers will not be permitted to enter subscriptions for their customers except through banking institutions. Subscriptions from commercial banks for their own account will be received without deposit. All other subscriptions must be accompanied by payment in full for the amount of bonds applied for.

2. The Secretary of the Treasury reserves the right to reject any subscription, in whole or in part, to allot less than the amount of bonds applied for, and to close the books as to any or all subscriptions at any time without notice; and any action he may take in these respects shall be final. Subject to these reservations, subscriptions for amounts up to and including $100,000 from commercial banks, and subscriptions in any amount from all other subscribers, will be allotted in full; subscriptions for amounts over $100,000 from commercial banks will be allotted on an equal percentage basis, to be publicly announced. Allotment notices will be sent out promptly upon allotment.

IV. PAYMENT

1. Payment at par and accrued interest, if any, for bonds allotted hereunder to or for the account of others than commercial banks must be made on or before April 15, 1943, or on later allotment. Payment at par and accrued interest to May 10, 1943, for bonds allotted hereunder to commercial banks must be made on that date. One day's accrued interest is $0.05435 per $1,000. Any qualified depositary will be permitted to make payment by credit for bonds allotted to it for itself and its customers up to any amount for which it shall be qualified in excess of existing deposits, when so notified by the Federal Reserve Bank of its district.

V. GENERAL PROVISIONS

1. As fiscal agents of the United States, Federal Reserve Banks are authorized and requested to receive subscriptions[1] * * *.

HENRY MORGENTHAU, JR.,
Secretary of the Treasury.

[Certificates of indebtedness. Department Circular No. 710. Public Debt]

TREASURY DEPARTMENT,
Washington, April 12, 1943.

I. OFFERING OF CERTIFICATES.

1. The Secretary of the Treasury, pursuant to the authority of the Second Liberty Bond Act, as amended, invites subscriptions, at par and accrued interest, from the people of the United States for certificates of indebtedness of the United States, designated ⅞ percent Treasury certificates of indebtedness of Series B–1944. The amount of the offering is not specifically limited, although allotments to commercial banks, which are defined for this purpose as banks accepting demand deposits, for their own account will be limited to $2,000,000,000, or thereabouts. The books will be open today and until further notice for the receipt of subscriptions from others than commercial banks for their own account, and today, April 13, and April 14 for the receipt of subscriptions from commercial banks for their own account.

II. DESCRIPTION OF CERTIFICATES

1. The certificates will be dated April 15, 1943, and will bear interest from that date at the rate of ⅞ percent per annum, payable on a semiannual basis on October 1, 1943, and April 1, 1944. They will mature April 1, 1944, and will not be subject to call for redemption prior to maturity.[2] * * *

4. Bearer certificates with two interest coupons attached will be issued in denominations of $1,000, $5,000, $10,000, $100,000 and $1,000,000. The certificates will not be issued in registered form.[2] * * *.

[1] Omitted portion similar to corresponding section of Department Circular No. 689, p. 289.
[2] Omitted portion similar to corresponding section of Department Circular No. 693, p. 293.

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III. SUBSCRIPTION AND ALLOTMENT

1. Subscriptions will be received at the Federal Reserve Banks and branches and at the Treasury Department, Washington. Commercial banks are requested not to buy the securities which may be allotted hereunder to others during the period the subscription books remain open. Banking institutions generally may submit subscriptions for account of customers, but only the Federal Reserve Banks and the Treasury Department are authorized to act as official agencies. Securities dealers and brokers will not be permitted to enter subscriptions for their customers except through banking institutions. Subscriptions from commercial banks for their own account will be received without deposit. All other subscriptions must be accompanied by payment in full for the amount of certificates applied for.

2. The Secretary of the Treasury reserves the right to reject any subscription, in whole or in part, to allot less than the amount of certificates applied for, and to close the books as to any or all subscriptions at any time without notice; and any action he may take in these respects shall be final. Subject to these reservations, subscriptions for amounts up to and including $100,000 from commercial banks, and subscriptions in any amount from all other subscribers, will be allotted in full; subscriptions for amounts over $100,000 from commercial banks will be allotted on an equal percentage basis, to be publicly announced. Allotment notices will be sent out promptly upon allotment.

IV. PAYMENT

1. Payment at par and accrued interest, if any, for certificates allotted hereunder to or for the account of others than commercial banks must be made on or before April 15, 1943, or on later allotment. Payment at par and accrued interest to April 22, 1943, for certificates allotted hereunder to commercial banks must be made on that date. One day's accrued interest is $0.02391 per $1,000. Any qualified depositary will be permitted to make payment by credit for certificates allotted to it for itself and its customers up to any amount for which it shall be qualified in excess of existing deposits, when so notified by the Federal Reserve Bank of its district.

V. GENERAL PROVISIONS

1. As fiscal agents of the United States, Federal Reserve Banks are authorized and requested to receive subscriptions[1] * * *.

HENRY MORGENTHAU, Jr.,
Secretary of the Treasury.

Exhibit 20

Subscriptions and allotments, Treasury bonds of 1964–69, Treasury bonds of 1950–52, and Treasury certificates of indebtedness of Series B–1944 (from press releases, April 17 and 26 and May 3 and 7, 1943[2])

On April 26, 1943, Secretary of the Treasury Morgenthau announced that the subscriptions from commercial banks for their own account for ⅞ percent certificates of indebtedness, for which the subscription books were open to these banks for three days, from April 12 to 14, aggregated $9,782,005,000. Of this amount, $401,000,000 were allotted in full to banks entering subscriptions for not more than $100,000, and the remainder were allotted 18 percent, but not less than $100,000 on any one subscription, with adjustments, where necessary, to the $1,000 denomination.

On April 26, 1943, Secretary of the Treasury Morgenthau also announced that the subscription books for the offering of 2½ percent Treasury bonds of 1964–69, 2 percent Treasury bonds of 1950–52, and ⅞ percent Treasury certificates of indebtedness would close at the close of business May 1 for subscriptions from others than the commercial banks.

For the commercial banks, for their own account, the issue of 2 percent Treasury bonds was open to subscriptions for three days, from April 28 to 30; these subscriptions from the banks aggregated $9,930,422,000. Of the subscriptions

[1] Omitted portion similar to corresponding section of Department Circular No. 693, p. 293.
[2] Revised August 27, 1943.

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received, $539,000,000 were allotted in full to banks entering subscriptions for not more than $100,000, and the remainder were allotted 16 percent, but not less than $100,000 on any one subscription, with adjustments, where necessary, to the $1,000 denomination.

Subscriptions to the three issues from others than commercial banks were allotted in full.

The subscriptions and allotments for the three issues were divided among the Federal Reserve districts and the Treasury as follows:

Federal Reserve district	2½% Treasury bonds of 1964-69 [1]	2% Treasury bonds of 1950-52				
		Commercial banks		Others	Total	
	Subscriptions received and allotted	Subscriptions	Allotments	Subscriptions and allotments	Subscriptions	Allotments
	In thousands of dollars					
Boston	338,294	396,305	84,438	263,378	659,684	347,816
New York	1,958,207	3,384,184	580,257	1,451,662	4,835,846	2,031,918
Philadelphia	200,750	608,123	137,457	123,189	731,312	260,646
Cleveland	155,668	563,625	142,227	145,478	709,103	287,705
Richmond	96,627	473,894	116,271	114,448	588,342	230,718
Atlanta	62,780	470,278	114,318	121,148	591,425	235,466
Chicago	243,364	1,433,021	331,938	228,620	1,661,642	560,558
St. Louis	40,561	353,777	109,829	54,961	408,738	164,790
Minneapolis	43,122	242,384	78,214	44,222	286,606	122,436
Kansas City	70,937	396,724	116,508	53,260	449,984	169,768
Dallas	50,784	442,059	105,690	66,372	508,432	172,062
San Francisco	147,722	1,166,047	205,320	145,034	1,311,080	350,354
Treasury	353,088			5,024	5,024	5,024
Total	3,761,904	9,930,422	2,122,467	2,816,794	12,747,216	4,939,261

NOTE.—Figures are rounded to nearest thousand and will not necessarily add to totals.

[1] Not available for subscription, for their own account, by commercial banks which accept demand deposits.

Federal Reserve district	⅞% certificates of indebtedness of Series B-1944				
	Commercial banks		Others	Total	
	Subscriptions	Allotments	Subscriptions and allotments	Subscriptions	Allotments
	In thousands of dollars				
Boston	489,336	104,017	151,041	640,377	255,058
New York	3,534,739	664,791	1,380,480	4,915,219	2,045,271
Philadelphia	405,572	94,676	101,727	507,299	196,403
Cleveland	641,538	154,463	201,735	843,273	356,198
Richmond	419,912	101,683	133,373	553,285	235,056
Atlanta	555,870	131,924	82,513	638,383	214,437
Chicago	1,423,568	334,669	539,703	1,963,271	874,402
St. Louis	381,530	106,067	81,443	462,973	187,510
Minneapolis	184,296	65,196	62,027	246,323	127,223
Kansas City	344,751	100,124	70,038	414,789	170,162
Dallas	394,472	930,089	70,121	464,593	163,210
San Francisco	1,006,421	195,829	229,407	1,235,828	425,236
Treasury			565	565	565
Total	9,782,005	2,146,558	3,104,173	12,886,178	5,250,731

NOTE.—Figures are rounded to nearest thousand and will not necessarily add to totals.

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Exhibit 21

Offering of ⅞ percent Treasury certificates of indebtedness of Series C–1944

On April 20, 1943, Secretary of the Treasury Morgenthau invited subscriptions for ⅞ percent Treasury certificates of indebtedness of Series C–1944, in payment of which only 0.65 percent Treasury certificates of indebtednes of Series C–1943, maturing May 1, 1943, or ¾ percent Commodity Credit Corporation notes of Series F, also maturing May 1, 1943, were accepted in payment. The amount of the offering was limited to the amount of Series C–1943 certificates and Series F notes tendered and accepted. In the related press release it was stated that there were outstanding $1,505,727,000 of Series C–1943 certificates and $289,458,000 of Series F notes.

[Department Circular No. 711. Public Debt]

TREASURY DEPARTMENT,
Washington, April 20, 1943.

I. OFFERING OF CERTIFICATES

1. The Secretary of the Treasury, pursuant to the authority of the Second Liberty Bond Act, as amended, invites subscriptions, at par, from the people of the United States for certificates of indebtedness of the United States, designated ⅞ percent Treasury certificates of indebtedness of Series C–1944, in payment of which only 0.65 percent Treasury certificates of indebtedness of Series C–1943, maturing May 1, 1943, or ¾ percent Commodity Credit Corporation notes of Series F, also maturing May 1, 1943, may be tendered. The amount of the offering under this circular will be limited to the amount of such Series C–1943 certificates and Series F notes tendered and accepted.

II. DESCRIPTION OF CERTIFICATES

1. The certificates will be dated May 1, 1943, and will bear interest from that date at the rate of ⅞ percent per annum, payable semiannually on November 1, 1943, and May 1, 1944. They will mature May 1, 1944, and will not be subject to call for redemption prior to maturity [1] * * *.

4. Bearer certificates with two interest coupons attached will be issued in denominations of $1,000, $5,000, $10,000, $100,000 and $1,000,000. The certificates will not be issued in registered form [1] * * *.

III. SUBSCRIPTION AND ALLOTMENT

1. Subscriptions will be received at the Federal Reserve Banks and branches and at the Treasury Department, Washington. Banking institutions generally may submit subscriptions for account of customers, but only the Federal Reserve Banks and the Treasury Department are authorized to act as official agencies.

2. The Secretary of the Treasury reserves the right to reject any subscription, in whole or in part, to allot less than the amount of certificates applied for, and to close the books as to any or all subscriptions at any time without notice; and any action he may take in these respects shall be final. Subject to these reservations, all subscriptions will be allotted in full. Allotment notices will be sent out promptly upon allotment.

IV. PAYMENT

1. Payment at par for certificates allotted hereunder must be made on or before May 1, 1943, or on later allotment, and may be made only in Treasury certificates of indebtedness of Series C–1943 or in Commodity Credit Corporation notes of Series F, maturing May 1, 1943, which will be accepted at par, and should accompany the subscription.

V. GENERAL PROVISIONS

1. As fiscal agents of the United States, Federal Reserve Banks are authorized and requested to receive subscriptions [1] * * *.

HENRY MORGENTHAU, Jr.,
Secretary of the Treasury.

[1] Omitted portion similar to corresponding section of Department Circular No. 693, p. 293.

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Exhibit 22

Allotments, Treasury certificates of indebtedness of Series C–1944 (from press releases, April 21 and 28, 1943 [1])

On April 21, 1943, Secretary of the Treasury Morgenthau announced that the subscription books for the offering of ⅞ percent Treasury certificates of indebtedness of Series C–1944, offered in exchange for Treasury certificates of indebtedness of Series C–1943 and Commodity Credit Corporation notes of Series F would close at the close of business April 22. Subscriptions totaling $1,655,203,000 were received of which $1,373,451,000 were exchanged for Series C–1943 certificates and $281,752,000 for Commodity Credit Corporation notes of Series F. The allotments were divided among the Federal Reserve districts and the Treasury as follows:

Federal Reserve district	Certificates exchanged	Commodity Credit Corporation notes exchanged	Total exchanges
Boston	$44,944,000	$9,632,000	$54,576,000
New York	725,478,000	197,213,000	922,691,000
Philadelphia	34,329,000	8,778,000	43,107,000
Cleveland	48,116,000	6,396,000	54,512,000
Richmond	26,766,000	5,378,000	32,144,000
Atlanta	30,604,000	2,796,000	33,400,000
Chicago	286,123,000	25,280,000	311,403,000
St. Louis	23,455,000	8,409,000	31,864,000
Minneapolis	27,063,000	2,528,000	29,591,000
Kansas City	32,558,000	6,363,000	38,921,000
Dallas	25,414,000	2,035,000	27,449,000
San Francisco	65,576,000	6,944,000	72,520,000
Treasury	3,025,000		3,025,000
Total	1,373,451,000	281,752,000	1,655,203,000

Exhibit 23

Call for redemption on October 15, 1943, of 3¼ percent Treasury bonds of 1943–45

TREASURY DEPARTMENT,
Washington, June 7, 1943.

Secretary of the Treasury Morgenthau announced today that all outstanding 3¼ percent Treasury bonds of 1943–45 are called for redemption on October 15, 1943. Approximately $1,401,000,000 of these bonds are now outstanding.

The Secretary said holders of these bonds may be offered, in advance of the redemption date, the privilege of exchanging them for other interest-bearing obligations of the United States.

The text of the formal notice of call is as follows:

THREE AND ONE-QUARTER PERCENT TREASURY BONDS OF 1943–45, NOTICE OF CALL FOR REDEMPTION

To Holders of 3¼ percent Treasury Bonds of 1943–45, and Others Concerned:

1. Public notice is hereby given that all outstanding 3¼ percent Treasury bonds of 1943–45, dated October 15, 1933, are hereby called for redemption on October 15, 1943, on which date interest on such bonds will cease.

2. Full information regarding the presentation and surrender of the bonds for redemption under this call will be found in Department Circular No. 666, dated July 21, 1941.

3. Holders of these bonds may, in advance of the redemption date, be offered the privilege of exchanging all or any part of their called bonds for other interest-bearing obligations of the United States, in which event public notice will hereafter be given.

D. W. BELL,
Acting Secretary of the Treasury.

[1] Revised July 16, 1943.

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Exhibit 24

Termination of sale of Treasury tax savings notes of Series A and provision for optional cash redemption

[Department Circular No. 715. Public Debt]

TREASURY DEPARTMENT,
Washington, June 22, 1943.

I. TERMINATION OF SALE OF SERIES A–1945

1. The sale of Treasury notes of Tax Series A–1945, dated September 1, 1942, pursuant to Department Circular No. 695, dated September 12, 1942, will terminate at the close of business on June 22, 1943.

II. CASH REDEMPTION OF NOTES OF TAX SERIES COVERED BY THIS CIRCULAR

1. Notwithstanding the provisions of Department Circulars No. 667, dated July 22, 1941, as amended, No. 674, dated December 15, 1941, and No. 695, dated September 12, 1942, limiting to their issue price the cash surrender value of Treasury notes of Tax Series A–1943, dated August 1, 1941, Tax Series A–1944, dated January 1, 1942, and Tax Series A–1945, dated September 1, 1942, any such notes will be accepted, at the option of the owners, at any time at or prior to maturity for cash redemption at their tax payment value current at the time of presentation. Treasury notes of Tax Series A–1943 mature August 1, 1943, those of Tax Series A–1944 mature January 1, 1944, and those of Tax Series A–1945 mature September 1, 1945; no interest will accrue after the maturity of the notes.

2. The cash redemption value hereunder during any month is the same as the tax payment value for that month as shown in the table on the back of each note and as shown in the tables appended to the respective issue circulars.

3. Notes presented for payment hereunder must have the requests for payment properly executed and must be surrendered, at the risk and expense of the holder, to the Federal Reserve Bank or other agency that issued the particular notes.

H. MORGENTHAU, JR.,
Secretary of the Treasury.

Statement issued by the Treasury Department in connection with Department Circular No. 715

TREASURY DEPARTMENT,
Washington, June 22, 1943.

Secretary of the Treasury Morgenthau made the following statement today:

"The current payment of individual income taxes and the collection of taxes through withholding pay at its source, provided by recent tax legislation, will largely serve the purpose heretofore served by Treasury tax savings notes of Series A, which have been available since August 1941, for the convenience of small taxpayers.

"Many individuals who have made advance provision for the payment of income taxes, through the purchase of these notes, now find they hold notes in excess of their future tax requirements.

"Two actions are now being taken: first, the sale of Treasury tax savings notes of Series A was discontinued at the close of business June 22, 1943; and second, the holders of any such notes are being accorded the privilege of redeeming their notes for cash, at the *tax payment value current* at the time of presentation. These changes are being made effective through Department Circular No. 715, issued today.

"The privilege of cash redemption at tax payment value will apply to the notes of the three issues of Series A notes now outstanding, and may be exercised by the owners at any time, but attention is called to the fact that interest ceases to accrue at the maturity of the notes.

"Hereafter, during any month, the cash redemption value of Treasury tax savings notes of Series A is the same as the tax payment value for that month, as shown in the table on the back of each note. Notes presented for cash redemption must have the request for payment properly executed, and must be surrendered to the Federal Reserve Bank or other agency that issued the particular notes.

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"No action is being taken with respect to outstanding Treasury tax savings notes of Series B, which are largely held by corporations and large taxpayers. As regards the Treasury notes of Tax Series C, which have been included in the general designation 'Treasury Tax Savings Notes,' and which are adapted not only for the accumulation of tax reserves, but for the temporary or short-term investment of idle cash reserves, the sale of these notes will be continued without interruption, but hereafter they will be designated Treasury savings notes of Series C."

Exhibit 25

Offering of 1½ percent Treasury notes of Series A–1947

On June 28, 1943, Secretary of the Treasury Morgenthau invited cash subscriptions for 1½ percent Treasury notes of Series A–1947 in the amount of $2,500,000,000, or thereabouts.

[Department Circular No. 716. Public Debt]

TREASURY DEPARTMENT,
Washington, June 28, 1943.

I. OFFERING OF NOTES

1. The Secretary of the Treasury, pursuant to the authority of the Second Liberty Bond Act, as amended, invites subscriptions, at par and accrued interest, from the people of the United States for notes of the United States, designated 1½ percent Treasury notes of Series A–1947. The amount of the offering is $2,500,000,000, or thereabouts.

II. DESCRIPTION OF NOTES

1. The notes will be dated July 12, 1943, and will bear interest from that date at the rate of 1½ percent per annum, payable on a semiannual basis on September 15, 1943, and thereafter on March 15 and September 15 in each year until the principal amount becomes payable. They will mature September 15, 1947, and will not be subject to call for redemption prior to maturity.[1] * * *

4. The notes will be acceptable to secure deposits of public moneys.

5. Bearer notes with interest coupons attached will be issued in denominations of $500, $1,000, $5,000, $10,000, $100,000 and $1,000,000. The notes will not be issued in registered form.[1] * * *

III. SUBSCRIPTION AND ALLOTMENT

1. Subscriptions will be received at the Federal Reserve Banks and branches and at the Treasury Department, Washington. Subscribers must agree not to sell or otherwise dispose of their subscriptions, or of the securities which may be allotted thereon, prior to the closing of the subscription books. Banking institutions generally may submit subscriptions for account of customers, but only the Federal Reserve Banks and the Treasury Department are authorized to act as official agencies. Others than banking institutions will not be permitted to enter subscriptions except for their own account. Subscriptions from banks and trust companies for their own account will be received without deposit. Subscriptions from all others must be accompanied by payment of 2 percent of the amount of notes applied for.

2. The Secretary of the Treasury reserves the right to reject any subscription, in whole or in part, to allot less than the amount of notes applied for, and to close the books as to any or all subscriptions at any time without notice; and any action he may take in these respects shall be final. Subject to these reservations, subscriptions for amounts up to and including $100,000 will be allotted in full, and subscriptions for amounts over $100,000 will be allotted on an equal percentage basis, to be publicly announced. Allotment notices will be sent out promptly upon allotment.

IV. PAYMENT

1. Payment at par and accrued interest, if any, for notes allotted hereunder must be made or completed on or before July 12, 1943, or on later allotment.

[1] Omitted portion similar to corresponding section of Department Circular No. 694, p. 296.

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In every case where payment is not so completed, the payment with application up to 2 percent of the amount of notes applied for shall, upon declaration made by the Secretary of the Treasury in his discretion, be forfeited to the United States. Any qualified depositary will be permitted to make payment by credit for notes allotted to it for itself and its customers up to any amount for which it shall be qualified in excess of existing deposits, when so notified by the Federal Reserve Bank of its district.

V. GENERAL PROVISIONS

1. As fiscal agents of the United States, Federal Reserve Banks are authorized and requested to receive subscriptions [1] * * *.

HENRY MORGENTHAU, Jr.,
Secretary of the Treasury.

Exhibit 26

Issue of 2 percent depositary bonds, Second Series

[Department Circular No. 660, First Supplement. Public Debt]

TREASURY DEPARTMENT,
Washington, June 29, 1943.

I. OFFERING OF BONDS

1. The Secretary of the Treasury, pursuant to the authority of the Second Liberty Bond Act, as amended, gives notice of an additional special issue of bonds of the United States, designated 2 percent depositary bonds, Second Series. These bonds may be subscribed for at par only by depositaries for withheld taxes qualified under Department Circular No. 714, dated June 25, 1943.[2] The amounts of the allotments and adjustments thereof will be made on the bases specified in that circular. Two percent depositary bonds, Second Series, will be issued and redeemed, and interest thereon, when due, will be paid by Federal Reserve Banks, as fiscal agents of the United States acting for the Secretary of the Treasury.

II. DESCRIPTION OF BONDS

1. The bonds of this issue will be dated July 1, 1943. They will bear interest at the rate of 2 percent per annum, payable on a semiannual basis on January 1 and July 1 in each year until the principal amount becomes payable. Each bond will be issued as of, and will bear interest from, the date payment therefor is received, and will mature twelve years from such date, but may be redeemed at the option of the United States or the depositary for withheld taxes, in whole or in part, at par and accrued interest at any time, upon not less than 30 nor more than 60 days' notice in writing given by either party to the other. From the date of redemption designated in any such notice, interest on the bond or bonds or any part thereof to be redeemed shall cease, and the unredeemed portion, if any, shall be reissued bearing the same issue date as the bond surrendered. Any such notice of redemption given by a depositary for withheld taxes shall be addressed to the Federal Reserve Bank of the district.

2. The income derived from the bonds shall be subject to all Federal taxes now or hereafter imposed. The bonds shall be subject to estate, inheritance, gift or other excise taxes, whether Federal or State, but shall be exempt from all taxation now or hereafter imposed on the principal or interest thereof by any State, or any of the possessions of the United States, or by any local taxing authority.

3. The bonds will not be acceptable for any purposes except those provided for in Department Circular No. 714. They will be issued only in the name of the Federal Reserve Bank of the district in which the depositary for withheld taxes is located as fiscal agent of the United States in trust for such depositary and will not be transferable. They will be subject to the general regulations of the Treasury Department with respect to United States bonds, so far as applicable.

III. GENERAL PROVISIONS

1. The Secretary of the Treasury may, at any time, or from time to time, prescribe, supplemental or amendatory rules and regulations with respect to this issue of bonds, and he may terminate the issue at any time without notice.

[1] Omitted, portion similar to corresponding section of Department Circular No. 694, p. 296.
[2] See p. 371.

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2. Federal Reserve Banks, as fiscal agents of the United States, are authorized to perform all necessary acts herein, in accordance with such instructions as from time to time may be given by the Secretary of the Treasury, or by his direction.

D. W. BELL,
Acting Secretary of the Treasury

United States savings bonds

Exhibit 27

First amendment, November 23, 1942, to Department Circular No. 530, Fifth Revision, prescribing regulations governing United States savings bonds

TREASURY DEPARTMENT,
Washington, November 23, 1942.

To Owners of United States Savings Bonds, and Others Concerned:

Sections 315.10, 315.29, and 315.35 of Department Circular No. 530, Fifth Revision, dated June 1, 1942 (7 F. R. 5158), are hereby revised to read as follows:

"SEC. 315.10. *Calculation of amount.*—In computing the amount of savings bonds of any one series issued during any one calendar year held by any one person at any one time for the purpose of determining whether the amount is in excess of the authorized limit as set forth in the next preceding section, the following rules shall govern:

(*a*) The holdings of each person, as defined in the next preceding section, individually and in a fiduciary capacity, shall be computed separately.

(*b*) In the case of bonds of Series A, B, C, D and E, the computation shall be based upon maturity values. In the case of bonds of Series F and G, the computation shall be based upon issue prices.

(*c*) There must be taken into account (1) all bonds originally issued to and registered in the name of that person alone; (2) all bonds originally issued to and registered in the name of that person as a coowner or reissued to add his name as coowner under the provisions of Section 315.29 (*a*), or to designate him as coowner instead of as a beneficiary under the provisions of Section 315.35 hereof: *Provided, however,* That with respect to bonds of Series E held in co-ownership form, the amount thereof may be applied to the holdings of either of the coowners, but will not be applied to both, or the amount may be apportioned between them; and (3) all bonds acquired by him before March 1, 1941, upon the death of another or in the happening of any other event.

(*d*) There need not be taken into account (1) bonds of which that person is merely the designated beneficiary; (2) those in which his interest is only that of a beneficiary under a trust; or (3) those to which he is entitled as an heir or legatee of the deceased registered owner, or by virtue of the termination of a trust or the happening of any other event unless he became entitled to any such bonds in his own right before March 1, 1941.

(*e*) Nothing herein contained shall be construed to invalidate any holdings within, or, except as provided in subsection (*c*) above, to validate any holdings in excess of, the authorized limits, as computed under the regulations in force at the time such holdings were acquired."

"SEC. 315.29. *Reissue for certain purposes.*—A savings bond of any series registered in the name of one person in his own right, or to which one person is shown to be entitled in his own right under these regulations, may be reissued upon appropriate request for the following purposes:

(*a*) *Addition of coowner.*—Reissue in the name of the owner with that of another natural person as coowner, provided that bonds reissued in accordance with this subsection will be considered for the purposes of computation of holdings under Subpart D of these regulations as originally issued in both names and no reissue will be effective which results in any one person holding bonds in excess of the established limitation for the series to which the bonds belong. Requests for reissue under this subsection should be made on Form PD 1762.

(*b*) *Addition of a beneficiary.*—Reissue in the name of the owner with the name of another natural person as designated beneficiary. Applications for reissue under the provisions of this subsection should be made on Form PD 1077.

(*c*) *Reissue in living trust.*—Reissue in the name of a trustee of a living trust created by the registered owner, after the original issue date of the bond, for his benefit in whole or in part, during his lifetime whether or not containing an abso-

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lute power of revocation in the grantor; but such reissue will be allowed only in the case of bonds of those series which may be originally issued in the name of a trustee."

"SEC. 315.35. *Reissue during the lifetime of registered owner.*—A bond registered in the name of one person payable on death to another may be reissued, on the duly certified request of the registered owner, to name a beneficiary designated on the bond as coowner subject to the same restrictions and conditions contained in section 315.29 (*a*). A bond may also be reissued upon the duly certified request of the registered owner, together with the duly certified consent of the designated beneficiary, to eliminate such beneficiary or to substitute another person as beneficiary, or to name another person as coowner. Requests should preferably be made upon the forms provided for such purpose."

HENRY MORGENTHAU, Jr.,
Secretary of the Treasury.

Exhibit 28

First amendment, June 17, 1943, to Department Circular No. 653, Revised, relative to United States war savings bonds of Series E

TREASURY DEPARTMENT,
Washington, June 17, 1943.

Sections IV and V of Department Circular No. 653, Revised, dated June 1, 1942, are hereby amended to read as follows:

IV. LIMITATION ON HOLDINGS

1. The amount of war savings bonds of series E originally issued during any one calendar year to any one person that may be held by that person at any one time shall not exceed $5,000, maturity value, computed in accordance with the provisions of the regulations governing United States savings bonds currently in force. Any bonds acquired on original issue which create an excess should immediately be surrendered for refund of the issue price as provided in such regulations.

V. REGISTRATION

1. Bonds of Series E may be registered only in the names of natural persons (that is, individuals), whether adults or minors, in their own right, as follows: (*a*) in the name of one person; (*b*) in the names of two (but not more than two) persons as coowners; and (*c*) in the name of one person payable on death to one (but not more than one) other designated person. Registration on original issue and authorized reissue is restricted to residents of the United States (which for the purposes of this section shall include the territories, insular possessions and the Canal Zone), citizens of the United States temporarily residing abroad, and to nonresident aliens employed in the United States by the Federal Government or an agency thereof, whether as owners, coowners, or designated beneficiaries: *Provided, however,* That on original issues of bonds, but not on reissues, a nonresident alien (not a citizen of an enemy nation) may be named as coowner or designated beneficiary, and *Provided further,* That a nonresident alien, whether owner, coowner or beneficiary, succeeding to title on death of the owner, or succeeding to title upon the death of the surviving coowner or beneficiary will be entitled only to request and receive payment either at or before maturity.

2. Full information regarding authorized forms of registration will be found in the regulations currently in force governing United States savings bonds.

HENRY MORGENTHAU, Jr.,
Secretary of the Treasury.

Exhibit 29

First amendment, November 30, 1942, to Department Circular No. 654, Revised, relative to United States savings bonds of Series F and Series G

TREASURY DEPARTMENT,
Washington, November 30, 1942.

1. The inclusion of United States savings bonds of Series F and G in the designation United States war savings bonds, pursuant to Department Circular No. 654, Revised, dated June 1, 1942, having been revoked, said circular is amended

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effective December 1, 1942, by striking out any reference to or designation of such bonds as war savings bonds.

2. The sale of United States savings bonds of Series F and G will continue until further notice under the provisions of Department Circular No. 654, Revised, dated June 1, 1942, and this amendment. The issue of bonds of these series bearing the designation "United States War Savings Bond" will be continued until existing stocks are exhausted, after which bonds without that designation will be issued.

HENRY MORGENTHAU, Jr.,
Secretary of the Treasury.

Exhibit 30

Second amendment, June 17, 1943, to Department Circular No. 654, Revised, relative to United States savings bonds of Series F and Series G

TREASURY DEPARTMENT,
Washington, June 17, 1943.

Section V of Department Circular No. 654, Revised, dated June 1, 1942, is hereby amended to read as follows:

V. AUTHORIZED FORMS OF REGISTRATION

1. United States savings bonds of Series F and Series G may be registered as follows:

(1) In the names of natural persons (that is, individuals) whether adults or minors, in their own right, as follows:

(*a*) In the name of one person,

(*b*) In the names of two (but not more than two) persons as coowners, and

(*c*) In the name of one person payable on death to one (but not more than one) other designated person;

(2) In the name of an incorporated or unincorporated body, in its own right (except a commercial bank, which, for this purpose, is defined as a bank that accepts demand deposits);

(3) In the name of a fiduciary; and

(4) In the name of the owner or custodian of public funds.

2. *Restrictions.*—Registration on original issue and authorized reissue is restricted to residents (whether individuals or others) of the United States (which for the purposes of this paragraph shall include the territories, insular possessions and the Canal Zone), citizens of the United States temporarily residing abroad, and to nonresident aliens employed in the United States by the Federal Government or an agency thereof, whether as owners, coowners, or designated beneficiaries: *Provided, however,* That on original issues of bonds, but not on reissues, a nonresident alien (not a citizen of an enemy nation) may be named as coowner or designated beneficiary, and *Provided further,* That a nonresident alien, whether owner, coowner or beneficiary, succeeding to title on death of the owner, or succeeding to title upon the death of the surviving coowner or beneficiary will be entitled only to request and receive payment either at or before maturity and will not be entitled to reissue.

3. Full information regarding authorized forms of registration will be found in the regulations currently in force governing United States savings bonds.

HENRY MORGENTHAU, Jr.,
Secretary of the Treasury.

Exhibit 31

Third amendment, July 17, 1942, to Department Circular No. 657, prescribing regulations governing agencies for the issue of war savings bonds of Series E

TREASURY DEPARTMENT,
Washington, July 17, 1942.

Department Circular No. 657, dated April 15, 1941, as amended and supplemented, is hereby further amended by adding the following new subsection (f) to section 3 of the circular:

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QUALIFICATION OF ISSUING AGENT

(*f*) Consignment of bond stock without pledge of collateral. Notwithstanding the provisions of the foregoing subsections, any issuing agent designated hereunder may be qualified as such an agent without being required to pledge collateral security for war savings bond stock, Series E, upon filing an application–agreement, Form No. 1785, with the Federal Reserve Bank of the district: *Provided, however,* That the Secretary of the Treasury in specific cases may restrict, in whole or in part, the amount of such bond stock requested by any such agent without the pledge of collateral security. Upon approval of the application–agreement, Form No. 1785, the Federal Reserve Bank will issue a certificate of qualification to the issuing agent on Form No. 385–B. If the qualification applied for is not certified, appropriate notice thereof will be transmitted to the issuing agent making application.

HENRY MORGENTHAU, Jr.,
Secretary of the Treasury.

Exhibit 32

Regulations, December 29, 1942, relative to obligations of the United States as credit against the Victory Tax

[Department Circular No. 704. Public Debt]

TREASURY DEPARTMENT,
Washington, Dec. 29, 1942.

The following regulations are issued pursuant to Subchapter D, Part I, Sec. 453 (a) (3) of the Internal Revenue Code, as added by the Revenue Act of 1942, which reads as follows:

"SEC. 453. CREDIT AGAINST VICTORY TAX.

"(a) ALLOWANCE OF CREDIT.—There shall be allowed as a credit against the victory tax for each taxable year: * * *

"(3) The amount by which the amount of obligations of the United States owned by the taxpayer on the last day of the taxable year exceeds the greater of (A) the amount of such obligations owned by the taxpayer on December 31, 1942, or (B) the highest amount of such obligations owned by the taxpayer on the last day of any preceding taxable year ending after December 31, 1942. As used in this paragraph (i) the term 'owned by the taxpayer' shall include the amount of the obligations owned solely by the taxpayer and one-half of the amount of the obligations owned jointly by the taxpayer with one other person, but shall not include such obligations acquired by the taxpayer by gift, or inheritance, or otherwise than by purchase; (ii) the term 'obligations of the United States' means such obligations of the United States as the Secretary may by regulations prescribe, and as are purchased in such manner and under such terms and conditions as he may specify; and (iii) the term 'amount of obligations of the United States' means the amount paid for such obligations."

(1) The following classes of securities issued by the United States are prescribed as "obligations of the United States" within the meaning of such term as used in Subchapter D, Part I, Sec. 453 (a) (3) of the Internal Revenue Code:

1. United States savings bonds, Series E, F, and G.

(2) The right is reserved to amend or supplement this circular, at any time, or from time to time.

HENRY MORGENTHAU, Jr.,
Secretary of the Treasury.

Treasury bills

Exhibit 33

Inviting tenders for Treasury bills dated July 1, 1942 (press release June 26, 1942)

TREASURY DEPARTMENT,
Washington, June 26, 1942.

The Secretary of the Treasury, by this public notice, invites tenders for $300,000,000, or thereabouts, of 91-day Treasury bills, to be issued on a discount basis under competitive bidding. The bills of this series will be dated July 1, 1942, and will mature September 30, 1942, when the face amount will be payable without interest. They will be issued in bearer form only, and in denominations

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of $1,000, $5,000, $10,000, $100,000, $500,000, and $1,000,000 (maturity value).

Tenders will be received at Federal Reserve Banks and branches up to the closing hour, two o'clock p. m., eastern war time, Monday, June 29, 1942. Tenders will not be received at the Treasury Department, Washington. Each tender must be for an even multiple of $1,000, and the price offered must be expressed on the basis of 100, with not more than three decimals, e. g., 99.925. Fractions may not be used. It is urged that tenders be made on the printed forms and forwarded in the special envelopes which will be supplied by Federal Reserve Banks or branches on application therefor.

Tenders will be received without deposit from incorporated banks and trust companies and from responsible and recognized dealers in investment securities. Tenders from others must be accompanied by payment of 10 percent of the face amount of Treasury bills applied for, unless the tenders are accompanied by an express guaranty of payment by an incorporated bank or trust company.

Immediately after the closing hour, tenders will be opened at the Federal Reserve Banks and branches, following which public announcement will be made by the Secretary of the Treasury of the amount and price range of accepted bids. Those submitting tenders will be advised of the acceptance or rejection thereof. The Secretary of the Treasury expressly reserves the right to accept or reject any or all tenders, in whole or in part, and his action in any such respect shall be final. Payment of accepted tenders at the prices offered must be made or completed at the Federal Reserve Bank in cash or other immediately available funds on July 1, 1942.

The income derived from Treasury bills, whether interest or gain from the sale or other disposition of the bills, shall not have any exemption, as such, and loss from the sale or other disposition of Treasury bills shall not have any special treatment, as such, under Federal tax acts now or hereafter enacted. The bills shall be subject to estate, inheritance, gift, or other excise taxes, whether Federal or State, but shall be exempt from all taxation now or hereafter imposed on the principal or interest thereof by any State, or any of the possessions of the United States, or by any local taxing authority. For purposes of taxation the amount of discount at which Treasury bills are originally sold by the United States shall be considered to be interest. Under sections 42 and 117 (a) (1) of the Internal Revenue Code, as amended by section 115 of the Revenue Act of 1941, the amount of discount at which bills issued hereunder are sold shall not be considered to accrue until such bills shall be sold, redeemed or otherwise disposed of, and such bills are excluded from consideration as capital assets. Accordingly, the owner of Treasury bills (other than life insurance companies) issued hereunder need include in his income tax return only the difference between the price paid for such bills, whether on original issue or on subsequent purchase, and the amount actually received either upon sale or redemption at maturity during the taxable year for which return is made, as ordinary gain or loss.

Treasury Department Circular No. 418, as amended, and this notice, prescribe the terms of the Treasury bills and govern the conditions of their issue. Copies of the circular may be obtained from any Federal Reserve Bank or branch.

Exhibit 34

Acceptance of tenders for Treasury bills dated July 1, 1942 (press release June 30, 1942)

TREASURY DEPARTMENT,
Washington, June 30, 1942.

The Secretary of the Treasury announced last evening that the tenders for $300,000,000, or thereabouts, of 91-day Treasury bills to be dated July 1 and to mature September 30, 1942, which were offered on June 26, were opened at the Federal Reserve Banks on June 29.

The details of this issue are as follows:

Total applied for	$671,366,000
Total accepted	[1] 301,758,000

Range of accepted bids (excepting one tender of $1,000,000):	Percent
High, 99.940 equivalent rate approximately	0.237
Low, 99.907 equivalent rate approximately	0.368
Average price, 99.909 equivalent rate approximately	0.360

(39 percent of the amount bid for at the low price was accepted.)

[1] Preliminary; final amount as announced on July 1, 1942—$301,863,000.

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Exhibit 35

Amendments to Department Circular No. 418, as amended, relative to the issue and sale of Treasury bills

FIRST AMENDMENT, OCTOBER 24, 1942

TREASURY DEPARTMENT,
Washington, October 24, 1942.

Paragraph 8 of Department Circular No. 418, as amended, dated February 28, 1941, is hereby amended to read as follows (31 C. F. R. 309):

"SEC. 309.8. Tenders should be submitted on the printed forms and forwarded in the special envelopes which will be supplied on application to any Federal Reserve Bank, or branch. If a special envelope is not available, the inscription "*Tender for Treasury Bills*" should be placed on the envelope used. The instructions of the Federal Reserve Banks with respect to the submission of tenders should be observed. Tenders from incorporated banks and trust companies, and from responsible and recognized dealers in investment securities will be received without deposit. Tenders from all others must be accompanied by a payment of such percent of the face amount of the Treasury bills applied for as the Secretary of the Treasury may from time to time prescribe: *Provided, however*, That such deposit will not be required if the tender is accompanied by an express guaranty of payment in full by an incorporated bank or trust company. Forfeiture of the prescribed payment may be declared by the Secretary of the Treasury, if payment is not completed, in the case of accepted tenders, on the prescribed date."

D. W. BELL,
Acting Secretary of the Treasury.

SECOND AMENDMENT, MAY 5, 1943

TREASURY DEPARTMENT,
Washington, May 5, 1943.

Paragraph 1 of Department Circular No. 418, as amended, dated February 28, 1941, is hereby amended to read as follows (31 C. F. R. 309):

"309.1. The Secretary of the Treasury is authorized by the Second Liberty Bond Act, as amended, to issue Treasury bills of the United States on an interest-bearing basis, on a discount basis, or on a combination interest-bearing and discount basis, at such price or prices and with interest computed in such manner and payable at such time or times as he may prescribe; and to fix the form, terms, and conditions thereof, and to offer them for sale on a competitive or other basis, under such regulations and upon such terms and conditions as he may prescribe. Pursuant to said authorization, the Secretary of the Treasury may, from time to time, by public notice, offer Treasury bills for sale, and invite tenders therefor, through the Federal Reserve Banks. The Treasury bills so offered, and the tenders made, will be subject to the terms and conditions and to the general rules and regulations herein set forth, except as they may be modified in the public notices issued by the Secretary of the Treasury in connection with particular offerings."

H. MORGENTHAU, Jr.,
Secretary of the Treasury.

Exhibit 36

Announcement by the Secretary of the Treasury, May 6, 1943, of the change in procedure with respect to bidding for Treasury bills

TREASURY DEPARTMENT,
Washington, May 6, 1943.

Secretary Morgenthau today announced a change in procedure with respect to bidding for the weekly issues of Treasury bills, in the interest of wider distribution of these securities. The offering of Treasury bills to be dated May 12, and future weekly offerings until further notice, will include a provision for the receipt of tenders for $100,000 or less from any one bidder at a fixed price of 99.905, in addition to the conventional bidding on a competitive basis. The decision to accept bids on a fixed-price basis was made in recognition of the fact that many of the smaller banks and other investors who have not been interested in competitive bidding for Treasury bills will submit tenders at a fixed price which assures them

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a return of about three-eighths of one percent on an annual basis. Subject to the usual reservation with respect to the acceptance or rejection of tenders, the Secretary plans to accept in full all tenders entered on a fixed-price basis.

For a number of years the Treasury has ordinarily opened bids on Treasury bills on Monday of each week, with payment the following Wednesday. It has been found that with the increasing congestion in communication facilities the two-day period is hardly sufficient in which to notify successful bidders and obtain payment. To meet this difficulty, the Secretary announced that for thirteen weeks 92-day Treasury bills will be offered. At the end of this cycle, Treasury bills will be maturing on Thursdays, and an additional day will have been provided between the opening of tenders and the payment date.

These changes will be embodied in the press statements announcing the weekly offerings.

Exhibit 37

Press releases pertaining to Treasury bill issues during the fiscal year 1943 were similar in form to exhibits 33 and 34 and are, therefore, not here reproduced. The essential details regarding each issue are summarized in the following table.

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Summary of information contained in press releases issued in connection with Treasury bills offered during the fiscal year 1943

Date of issue	Date of maturity	Days to maturity	Total amount applied for (in thousands)	Bids accepted							Date of press releases	Date of closing
				Highest		Lowest		Amount [2] (in thousands)	Average			
				Price (per hundred)	Equivalent rate [1] (percent)	Price (per hundred)	Equivalent rate [1] (percent)		Price (per hundred)	Equivalent rate [1] (percent)		
1942	1942										1942	1942
July 1	Sept. 30	91	$671,466	[3] 99.940	0.237	99.907	0.368	$301,863	99.909	0.360	June 26 and 30	June 29
July 8	Oct. 7	91	646,058	[4] 99.925	.297	99.906	.372	300,081	99.908	.365	July 3 and 7	July 6
July 15	Oct. 14	91	650,704	[5] 99.920	.316	99.906	.372	301,187	99.908	.365	July 10 and 14	July 13
July 22	Oct. 21	91	679,266	99.924	.301	99.906	.372	351,862	99.907	.368	July 17 and 21	July 20
July 29	Oct. 28	91	645,242	[6] 99.925	.297	99.905	.376	350,303	99.907	.370	July 24 and 28	July 27
Aug. 5	Nov. 4	91	582,960	99.925	.297	99.905	.376	352,565	99.906	.372	July 31 and Aug. 4	Aug. 3
Aug. 12	Nov. 12	92	594,007	[7] 99.925	.293	99.904	.376	350,655	99.905	.372	Aug. 7 and 11	Aug. 10
Aug. 19	Nov. 18	91	711,549	99.925	.297	99.905	.376	352,424	99.906	.372	Aug. 14 and 18	Aug. 17
Aug. 26	Nov. 25	91	891,602	99.925	.297	99.906	.372	352,979	99.907	.369	Aug. 21 and 25	Aug. 24
Sept. 2	Dec. 2	91	872,936	99.925	.297	99.906	.372	350,868	99.907	.367	Aug. 28 and Sept. 1	Aug. 31
Sept. 9	Dec. 9	91	709,828	[8] 99.925	.297	99.905	.376	351,238	99.907	.368	Sept. 2 and 5	Sept. 4
Sept. 16	Dec. 16	91	882,326	[9] 99.925	.297	99.906	.372	402,030	99.907	.369	Sept. 11 and 15	Sept. 14
Sept. 23	Dec. 23	91	797,064	[10] 99.925	.297	99.905	.376	401,540	99.906	.370	Sept. 18 and 22	Sept. 21
Sept. 30	Dec. 30	91	725,563	99.925	.297	99.905	.376	401,090	99.906	.373	Sept. 25 and 29	Sept. 28
	1943											
Oct. 7	Jan. 6	91	773,218	99.924	.301	99.905	.376	400,185	99.907	.369	Oct. 2 and 6	Oct. 5
Oct. 14	Jan. 13	91	713,102	99.924	.301	99.905	.376	400,442	99.906	.373	Oct. 7 and 10	Oct. 9
Oct. 21	Jan. 20	91	984,842	99.925	.297	99.905	.376	505,084	99.906	.373	Oct. 16 and 20	Oct. 19
Oct. 28	Jan. 27	91	893,167	99.918	.324	99.905	.376	504,553	99.906	.373	Oct. 23 and 27	Oct. 26
Nov. 4	Feb. 3	91	905,687	99.922	.309	99.905	.376	500,121	99.906	.373	Oct. 28 and 31	Oct. 30
Nov. 12	Feb. 10	90	1,013,151	99.925	.300	99.906	.376	501,437	99.907	.373	Nov. 6 and 10	Nov. 9
Nov. 18	Feb. 17	91	1,157,405	99.925	.297	99.906	.372	501,537	99.906+	.371	Nov. 13 and 17	Nov. 16
Nov. 25	Feb. 24	91	1,149,156	99.925	.297	99.906	.372	501,217	99.907	.370	Nov. 20 and 24	Nov. 23
Dec. 2	Mar. 3	91	1,220,276	99.925	.297	99.906	.372	503,232	99.907	.368	Nov. 27 and Dec. 1	Nov. 30
Dec. 9	Mar. 10	91	1,222,932	99.925	.297	99.907	.368	504,822	99.907+	.367	Dec. 4 and 8	Dec. 7
Dec. 16	Mar. 17	91	1,293,757	[11] 99.926	.293	99.907	.368	600,813	99.908	.364	Dec. 11 and 15	Dec. 14
Dec. 23	Mar. 24	91	1,226,756	99.926	.293	99.908	.364	601,096	99.908+	.363	Dec. 18 and 22	Dec. 21
Dec. 30	Mar. 31	91	930,278	[12] 99.931	.273	99.905	.376	602,950	99.908	.365	Dec. 24 and 29	Dec. 28

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1943											1943	1943
Jan. 6	Apr. 7	91	1,242,588	[12] 99.925	.297	99.907	.368	600.133	99.910	.357	Dec. 31, 1942, and Jan. 5	Jan. 4
Jan. 13	Apr. 14	91	1,228,699	99.930	.277	99.907	.368	601,545	99.908+	.363	Jan. 8 and 12	Jan. 11
Jan. 20	Apr. 21	91	1,306,678	99.940	.237	99.906	.372	701,542	99.907+	.366	Jan. 15 and 19	Jan. 18
Jan. 27	Apr. 28	91	1,016,668	99.940	.237	99.905	.376	702,244	99.906+	.370	Jan. 22 and 26	Jan. 25
Feb. 3	May 5	91	1,301,770	99.925	.297	99.906	.372	701,851	99.907	.369	Jan. 29 and Feb. 2	Feb. 1
Feb. 10	May 12	91	1,044,867	99.940	.237	99.905	.376	707,832	99.906	.372	Feb. 5 and 9	Feb. 8
Feb. 17	May 19	91	1,114,204	99.935	.257	99.905	.376	703,026	99.906	.373	Feb. 12 and 16	Feb. 15
Feb. 24	May 26	91	1,054,727	99.925	.297	99.905	.376	700,809	99.906	.374	Feb. 17 and 20	Feb. 19
Mar. 3	June 2	91	1,394,541	99.930	.277	99.905	.376	701,294	99.907	.369	Feb. 26 and Mar. 2	Mar. 1
Mar. 10	June 9	91	1,382,297	99.930	.277	99.905	.376	705,271	99.906+	.371	Mar. 5 and 9	Mar. 8
Mar. 17	June 16	91	1,302,725	99.925	.297	99.905	.376	802,171	99.906	.373	Mar. 12 and 16	Mar. 15
Mar. 24	June 23	91	1,329,871	99.925	.297	99.905	.376	802,079	99.906	.373	Mar. 19 and 23	Mar. 22
Mar. 31	June 30	91	1,101,144	99.925	.297	99.905	.376	805,059	99.906	.374	Mar. 26 and 30	Mar. 29
Apr. 7	July 7	91	1,104,078	99.925	.297	99.905	.376	804,718	99.905+	.374	Apr. 2 and 6	Apr. 5
Apr. 14	July 14	91	1,359,630	[14] 99.925	.297	99.905	.376	803,964	99.906	.373	Apr. 9 and 13	Apr. 12
Apr. 21	July 21	91	1,622,269	99.935	.257	99.905	.376	904,650	99.906+	.371	Apr. 16 and 20	Apr. 19
Apr. 28	July 28	91	1,585,836	99.935	.257	99.905	.376	901,758	99.906	.372	Apr. 23 and 27	Apr. 26
May 5	Aug. 4	91	1,388,630	99.935	.257	99.905	.376	901,820	99.906	.373	Apr. 30 and May 4	May 3
May 12	Aug. 12	92	1,509,316	99.912	.344	99.904	.376	[13] 906,997	99.905+	.372	May 7 and 11	May 10
May 19	Aug. 19	92	1,566,680	99.910	.352	99.904	.376	[13] 907,785	99.905	.373	May 14 and 18	May 17
May 26	Aug. 26	92	1,378,697	99.910	.352	99.904	.376	[13] 905,415	99.905	.373	May 21 and 25	May 24
June 2	Sept. 2	92	1,321,637	99.910	.352	99.904	.376	[13] 906,009	99.905	.374	May 26 and 29	May 28
June 9	Sept. 9	92	1,437,153	99.913	.346	99.904	.376	[13] 908,689	99.904+	.374	June 4 and 8	June 7
June 16	Sept. 16	92	1,465,543	99.910	.352	99.904	.376	[15] 1,000,489	99.905	.374	June 11 and 15	June 14
June 23	Sept. 23	92	1,374,588	99.910	.352	99.904	.376	[15] 1,006,051	99.904	.374	June 18 and 22	June 21
June 30	Sept. 30	92	1,305,759	99.910	.352	99.904	.376	[15] 1,005,820	99.904+	.374	June 25 and 29	June 28

[1] Bank discount basis.
[2] Figures are final and differ in most cases from those shown in the last press release announcing the details of the particular issue.
[3] Except for 1 tender of $1,000,000.
[4] Except for 3 tenders aggregating $75,000.
[5] Except for 2 tenders aggregating $45,000.
[6] Except for 1 tender of $500,000.
[7] Except for 3 tenders aggregating $100,000.
[8] Except for 1 tender of $50,000.
[9] Except for 1 tender of $25,000.
[10] Except for 1 tender of $20,000.
[11] Except for 2 tenders aggregating $60,000.
[12] Except for 2 tenders aggregating $157,000.
[13] Except for 1 tender of $4,000.
[14] Except for 1 tender of $10,000.
[15] Tenders for $100,000 or less at 99.905 entered on a fixed-price basis were accepted in full in the following amounts: For issue of May 12, $80,551,000; May 19, $93,465,000; May 26, $82,464,000; June 2, $62,257,000; June 9, $88,145,000; June 16, $79,236,000; June 23, $71,928,000; and June 30, $58,394,000.

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Miscellaneous

Exhibit 38

An act to increase the debt limit of the United States, and for other purposes

[Public Law 34, 78th Cong., H. R. 1780]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the Public Debt Act of 1943.

SEC. 2. Section 21 of the Second Liberty Bond Act, as amended, is further amended to read as follows:

"SEC. 21. The face amount of obligations issued under the authority of this Act shall not exceed in the aggregate $210,000,000,000 outstanding at any one time."

SEC. 3. Section 22 of the Second Liberty Bond Act, as amended, is further amended by adding at the end thereof the following subsections:

"(h) The Secretary of the Treasury, under such regulations as he may prescribe, may authorize or permit payments in connection with the redemption of savings bonds to be made by incorporated banks and trust companies.

"(i) Any losses resulting from payments made in connection with the redemption of savings bonds shall be replaced out of the fund established by the Government Losses in Shipment Act, as amended, under such regulations as may be prescribed by the Secretary of the Treasury. The Treasurer of the United States, any Federal Reserve bank, or any incorporated bank or trust company authorized or permitted to make payments in connection with the redemption of such bonds, shall be relieved from liability to the United States for such losses, upon a determination by the Secretary of the Treasury that such losses resulted from no fault or negligence on the part of the Treasurer, the Federal Reserve bank, or the incorporated bank or trust company. The Post Office Department or the Postal Service shall be relieved from such liability upon a joint determination by the Postmaster General and the Secretary of the Treasury that such losses resulted from no fault or negligence on the part of the Post Office Department or the Postal Service. The provisions of section 3 of the Government Losses in Shipment Act, as amended, with respect to the finality of decisions by the Secretary of the Treasury shall apply to the determinations made pursuant to this subsection. All recoveries and repayments on account of such losses, as to which replacement shall have been made out of the fund, shall be credited to it and shall be available for the purposes thereof. The Secretary of the Treasury shall include in his annual report to the Congress a statement of all payments made from the fund pursuant to this subsection."

SEC. 4. (a) Section 4 of the Act approved October 2, 1942, entitled "An Act to amend the Emergency Price Control Act of 1942, to aid in preventing inflation, and for other purposes" (Public Law 729 of the Seventy-seventh Congress), is hereby amended, effective as of October 2, 1942, to read as follows:

"SEC. 4. No action shall be taken under authority of this Act with respect to wages or salaries, (1) which is inconsistent with the provisions of the Fair Labor Standards Act of 1938, as amended, or the National Labor Relations Act, or (2) for the purpose of reducing wages or salaries for any particular work below the highest wages or salaries paid therefor between January 1, 1942, and September 15, 1942."

(b) (1) Section 7 of title II, and all other provisions of Executive Order Numbered 9250, "Providing for the stabilization of the national economy" issued October 3, 1942, and all provisions of Regulation Numbered 4001.9, promulgated by the Economic Stabilization Director on October 27, 1942, which are in conflict with this section are hereby rescinded: and (2) all orders, regulations, and other directives, and all decisions, promulgated or made by virtue of the said Executive order or regulation which are in conflict with this section are hereby rescinded.

[Received by the President, Tuesday, March 30, 1943.]

[NOTE BY THE DEPARTMENT OF STATE.—The foregoing act, having been presented to the President of the United States for his approval and not having been returned by him to the House of Congress in which it originated within the time prescribed by the Constitution of the United States, has become a law without his approval.]

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Exhibit 39

Amendments, January 21, 1943, to Department Circulars No. 685 and No. 692, changing the date when 2½ percent Treasury bonds of 1962–67 are available in coupon form

FIRST AMENDMENT, JANUARY 21, 1943, TO DEPARTMENT CIRCULAR NO. 685

TREASURY DEPARTMENT,
Washington, January 21, 1943.

Department Circular No. 685, dated May 4, 1942, is hereby amended by striking out the date "May 5, 1952" where it occurs in the second sentence of paragraph 4 of section II, and inserting in lieu thereof the date "February 1, 1943."

D. W. BELL,
Acting Secretary of the Treasury.

FIRST AMENDMENT, JANUARY 21, 1943, TO DEPARTMENT CIRCULAR NO. 692

TREASURY DEPARTMENT,
Washington, January 21, 1943.

Department Circular No. 692, dated August 3, 1942, is hereby amended by striking out the date "May 5, 1952" where it occurs in the second sentence of paragraph 5 of section II, and inserting in lieu thereof the date "February 1, 1943."

D. W. BELL,
Acting Secretary of the Treasury.

Exhibit 40

First amendment, June 22, 1943, to Department Circular No. 696, changing the designation of Treasury notes of Tax Series C

TREASURY DEPARTMENT,
Washington, June 22, 1943.

1. Notes of the United States issued pursuant to Department Circular No. 696, dated September 12, 1942, and heretofore designated Treasury notes of Tax Series C shall hereafter be designated Treasury savings notes, Series C, and said circular is amended to conform to such new designation.

2. The sale of notes issued under the provisions of Circular No. 696, as hereby amended, will continue until further notice. The issue of such notes bearing the designation "Treasury Notes of Tax Series C" will be continued until existing stocks are exhausted, after which notes with the designation "Treasury Savings Notes, Series C," will be issued.

HENRY MORGENTHAU, Jr.,
Secretary of the Treasury.

Exhibit 41

First amendment, July 28, 1942, to Department Circular No. 660, relative to 2 percent depositary bonds

TREASURY DEPARTMENT,
Washington, July 28, 1942.

Department Circular No. 660, dated May 23, 1941, is hereby amended as follows:

1. By deleting the second sentence of paragraph No. 1 of part I (Offering of bonds), of the circular and inserting in lieu thereof the following sentence:
"These bonds may be subscribed for, at par, by depositaries and financial agents designated under the provisions of section 5153 of the Revised Statutes of 1873, as amended (U. S. C., title 12, sec. 90); the Act of May 7, 1928, 45 Stat. 492 (U. S. C., title 12, sec. 332); the Act of June 19, 1922, 42 Stat. 662 (U. S. C., title 31, sec. 473); and section 10 of the Act of June 11, 1942 (Public No. 603, 77th Congress, Chapter 404, 2d Session), which have executed a depositary, financial agency and collateral agreement satisfactory to the Secretary of the Treasury."

2. By deleting the first sentence of paragraph No. 3 of part II (Description of bonds), of the circular and inserting in lieu thereof the following sentence:
"The bonds will be acceptable to secure deposits of Federal funds with, and the faithful performance of duties by, depositaries and financial agents designated under the provisions of section 5153 of the Revised Statutes of 1873, as amended

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(U. S. C., title 12, sec. 90); the Act of May 7, 1928, 45 Stat. 492 (U. S. C., title 12, sec. 332); the Act of June 19, 1922, 42 Stat. 662 (U. S. C., title 31, sec. 473); and section 10 of the Act of June 11, 1942 (Public No. 603, 77th Congress, Chapter 404, 2d Session), and may not be obtained or used for any other purpose."

HENRY MORGENTHAU, Jr.,
Secretary of the Treasury.

Exhibit 42

Joint statement of the Comptroller of the Currency, the Federal Deposit Insurance Corporation, the Board of Governors of the Federal Reserve System, and the Executive Committee of the National Association of Supervisors of State Banks, November 23, 1942, of their examination and supervisory policy with respect to banks

The Comptroller of the Currency, the Federal Deposit Insurance Corporation, the Board of Governors of the Federal Reserve System, and the Executive Committee of the National Association of Supervisors of State Banks make the following statement of their examination and supervisory policy with special reference to investments in and loans upon Government securities.

1. There will be no deterrents in examination or supervisory policy to investments by banks in Government securities of all types, except those securities made specifically ineligible for bank investment by the terms of their issue.

2. In connection with Government financing, individual subscribers relying upon anticipated income may wish to augment their subscriptions by temporary borrowings from banks. Such loans will not be subject to criticism but should be on a short term or amortization basis fully repayable within periods not exceeding six months.

3. Banks will not be criticized for utilizing their idle funds as far as possible in making such investments and loans and availing themselves of the privilege of temporarily borrowing from or selling Treasury bills to the Federal Reserve Banks when necessary to restore their required reserve positions.

SECURITIES GUARANTEED BY THE UNITED STATES

Exhibit 43

Partial redemption, before maturity, of 2¾ percent mutual mortgage insurance fund debentures, Series B (eighth call)

[Department Circular No. 697. Public Debt]

TREASURY DEPARTMENT,
Washington, September 28, 1942.

To Holders of 2¾ Percent Mutual Mortgage Insurance Fund Debentures, Series B:

I. NOTICE OF EIGHTH CALL FOR PARTIAL REDEMPTION, BEFORE MATURITY, OF 2¾ PERCENT MUTUAL MORTGAGE INSURANCE FUND DEBENTURES, SERIES B

The Federal Housing Commissioner, with the approval of the Secretary of the Treasury, has issued the following notice of call for partial redemption and offer to purchase with respect to 2¾ percent mutual mortgage insurance fund debentures, Series B:

"Pursuant to the authority conferred by the National Housing Act (48 Stat. 1246; U. S. C., title 12, sec. 1701 et seq.) as amended, public notice is hereby given that 2¾ percent mutual mortgage insurance fund debentures, Series B, of the denominations and serial numbers designated below, are hereby called for redemption, at par and accrued interest, on January 1, 1943, on which date interest on such debentures shall cease:

Denomination:	*Serial numbers (all numbers inclusive)*
$50	1,343 to 1,456
$100	4,787 to 5,259
$500	1,593 to 1,705
$1,000	5,923 to 6,469
$5,000	412 to 452
$10,000	45 to 46

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"The debentures first issued, as determined by the serial numbers, were selected for redemption by the Commissioner, Federal Housing Administration, with the approval of the Secretary of the Treasury.

"No transfers or denominational exchanges in debentures covered by the foregoing call will be made on the books maintained by the Treasury Department on or after October 1, 1942. This does not affect the right of the holder of a debenture to sell and assign the debenture on or after October 1, 1942, and provision will be made for the payment of final interest due January 1, 1943, with the principal thereof to the actual owner, as shown by the assignments thereon.

"The Commissioner of the Federal Housing Administration hereby offers to purchase any debentures included in this call at any time from October 1 to December 31, 1942, inclusive, at par and accrued interest, to date of purchase.

"Instructions for the presentation and surrender of debentures for redemption on or after January 1, 1943, or for purchase prior to that date will be given by the Secretary of the Treasury."

II. TRANSACTIONS IN EIGHTH-CALLED DEBENTURES

1. The debentures included in the foregoing notice of call for partial redemption on January 1, 1943, are hereby designated eighth-called 2¾ percent mutual mortgage insurance fund debentures, Series B, and are hereinafter referred to as eighth-called debentures.

2. Transfers and denominational exchanges in eighth-called debentures will terminate at the close of business on September 30, 1942.

III. REDEMPTION OR PURCHASE

1. Holders of eighth-called debentures will be entitled to have such debentures redeemed and paid at par on January 1, 1943, with interest in full to that date, at the rate of $13.75 per $1,000. Interest on eighth-called debentures will cease on January 1, 1943.

2. Holders of eighth-called debentures have the privilege of presenting such debentures at any time from October 1 to December 31, 1942, inclusive, for purchase at par and accrued interest, at the rate of $0.074728 per $1,000 per day from July 1, 1942, to date of purchase.

IV. RULES AND REGULATIONS GOVERNING REDEMPTION AND PURCHASE

1. The United States Treasury Department is the agent of the Federal Housing Commissioner for the redemption and purchase of eighth-called debentures. In accordance with regulations adopted by the Federal Housing Commissioner and approved by the Secretary of the Treasury, the assignment, redemption, and purchase of eighth-called debentures will be governed by the general regulations of the Treasury Department with respect to United States bonds and notes, so far as applicable, except as otherwise provided herein.

2. Eighth-called debentures presented for redemption on January 1, 1943, or for purchase from October 1 to December 31, 1942, inclusive, must be assigned by the registered payee or assignee thereof or by their duly constituted representatives in the form indicated in paragraph 3 hereof, and should thereafter be presented and surrendered to any Federal Reserve Bank or to the Division of Loans and Currency, Treasury Department, Washington, D. C., accompanied by appropriate written advice. (Use Form PD 1795.) The debentures must be delivered at the expense and risk of the holders. (See paragraph 8 of this section.) In all cases checks in payment of principal and final interest will be mailed to the address given in the form of advice accompanying the debentures when surrendered.

3. If the registered payee or an assignee holding under proper assignment from the registered payee desires that payment be made to him, the debentures should be assigned by such payee or assignee or by a duly constituted representative to "The Federal Housing Commissioner for redemption" or to "The Federal Housing Commissioner for purchase," according to whether the debentures are to be presented for redemption on January 1, 1943, or for purchase prior to that date. If it is desired for any reason that payment be made to some other person without intermediate assignment, the debentures should be assigned to "The Federal Housing Commissioner for redemption (or purchase) for the account of _____ _____," inserting the name and address of the person to whom payment is to be made.

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4. An assignment in blank or other assignment having similar effect will be recognized, but in that event payment will be made to the person surrendering the debenture for redemption or purchase since, under such an assignment, the debenture becomes in effect payable to bearer. Assignments in blank or assignments having similar effect should be avoided, if possible, in order not to lose the protection afforded by registration.

5. Final interest on any eighth-called debentures, whether purchased prior to or redeemed on or after January 1, 1943, will be paid with the principal in accordance with the assignments on the debentures surrendered.

6. All assignments must be made on the debentures themselves unless otherwise directed by the Treasury Department. Detached assignments will be recognized and accepted in any particular case in which the use of detached assignments is specifically authorized by the Treasury Department. Any assignment not made upon the debenture is considered a detached assignment.

7. An eighth-called debenture registered in the name of, or assigned to, a corporation, will be paid to such corporation on or after January 1, 1943, upon an appropriate assignment for that purpose executed on behalf of the corporation by a duly authorized officer thereof. An assignment so executed and duly attested in accordance with Treasury Department regulations will ordinarily be accepted without proof of the officer's authority. In all cases coming under this provision payment will be made only by check drawn to the order of the corporation. Proof of the authority of the officer assigning on behalf of a corporation will be required, in accordance with the general regulations of the Treasury Department, in the case of assignments for purchase prior to January 1, 1943, and in case of assignments for redemption on or after January 1, 1943, for the account of any person other than the corporation.

8. Debentures presented for redemption or purchase under this circular must be delivered to a Federal Reserve Bank or to the Division of Loans and Currency, Treasury Department, Washington, D. C., at the expense and risk of the holder. Debentures bearing restricted assignments may be forwarded by registered mail, but debentures bearing unrestricted assignments should be forwarded by registered mail insured or by express prepaid.

9. In order to facilitate the redemption of eighth-called debentures on January 1, 1943, any such debenture may be presented and surrendered in the manner herein prescribed in advance of that date but not before December 1, 1942. Such early presentation by holders will insure prompt payment of principal and interest when due.

V. GENERAL PROVISIONS

1. Any further information which may be desired regarding the redemption of eighth-called debentures under this circular may be obtained from any Federal Reserve Bank or from the Division of Loans and Currency, Treasury Department, Washington, D. C., where copies of the Treasury Department's regulations governing assignments may be obtained.

2. As fiscal agents of the United States, Federal Reserve Banks are authorized and requested to perform any necessary acts under this circular. The Secretary of the Treasury may at any time or from time to time prescribe supplemental and amendatory rules and regulations governing the matters covered by this circular, which will be communicated promptly to the registered owners of eighth-called debentures.

D. W. BELL,
Acting Secretary of the Treasury.

Exhibit 44

Partial redemption, before maturity, of 2¾ percent mutual mortgage insurance fund debentures, Series B (ninth call)

[Department Circular No. 712. Public Debt]

TREASURY DEPARTMENT,
Washington, March 27, 1943.

To Holders of 2¾ Percent Mutual Mortgage Insurance Fund Debentures, Series B:

I. NOTICE OF NINTH CALL FOR PARTIAL REDEMPTION, BEFORE MATURITY, OF 2¾ PERCENT MUTUAL MORTGAGE INSURANCE FUND DEBENTURES, SERIES B

The Federal Housing Commissioner, with the approval of the Secretary of the Treasury, has issued the following notice of call for partial redemption and offer to

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purchase with respect to 2¾ percent mutual mortgage insurance fund debentures, Series B:

"Pursuant to the authority conferred by the National Housing Act (48 Stat. 1246; U. S. C., title 12, sec. 1701 et seq.) as amended, public notice is hereby given that 2¾ percent mutual mortgage insurance fund debentures, Series B, of the denominations and serial numbers designated below, are hereby called for redemption, at par and accrued interest, on July 1, 1943, on which date interest on such debentures shall cease:

Denomination:	*Serial numbers (All numbers inclusive)*
$50	1,457 to 1,511
$100	5, 260 to 5, 554
$500	1, 706 to 1, 769
$1,000	6, 470 to 6, 757
$5,000	453 to 485
$10,000	47 to 49

"The debentures first issued, as determined by the serial numbers, were selected for redemption by the Commissioner, Federal Housing Administration, with the approval of the Secretary of the Treasury.

"No transfers or denominational exchanges in debentures covered by the foregoing call will be made on the books maintained by the Treasury Department on or after April 1, 1943. This does not affect the right of the holder of a debenture to sell and assign the debenture on or after April 1, 1943, and provision will be made for the payment of final interest due July 1, 1943, with the principal thereof to the actual owner, as shown by the assignments thereon.

"The Commissioner of the Federal Housing Administration hereby offers to purchase any debentures included in this call at any time from April 1 to June 30, 1943, inclusive, at par and accrued interest, to date of purchase.

"Instructions for the presentation and surrender of debentures for redemption on or after July 1, 1943, or for purchase prior to that date will be given by the Secretary of the Treasury."

II. TRANSACTIONS IN NINTH-CALLED DEBENTURES

1. The debentures included in the foregoing notice of call for partial redemption on July 1, 1943, are hereby designated ninth-called 2¾ percent mutual mortgage insurance fund debentures, Series B, and are hereinafter referred to as ninth-called debentures.

2. Transfers and denominational exchanges in ninth-called debentures will terminate at the close of business on March 31, 1943.

III. REDEMPTION OR PURCHASE

1. Holders of ninth-called debentures will be entitled to have such debentures redeemed and paid at par on July 1, 1943, with interest in full to that date, at the rate of $13.75 per $1,000. Interest on ninth-called debentures will cease on July 1, 1943.

2. Holders of ninth-called debentures have the privilege of presenting such debentures at any time from April 1 to June 30, 1943, inclusive, for purchase at par and accrued interest, at the rate of $0.075967 per $1,000 per day from January 1, 1943, to date of purchase.

IV. RULES AND REGULATIONS GOVERNING REDEMPTION AND PURCHASE

1. The United States Treasury Department is the agent of the Federal Housing Commissioner for the redemption and purchase of ninth-called debentures. In accordance with regulations adopted by the Federal Housing Commissioner and approved by the Secretary of the Treasury, the assignment, redemption, and purchase of ninth-called debentures will be governed by the general regulations of the Treasury Department with respect to United States bonds and notes, so far as applicable, except as otherwise provided herein.

2. Ninth-called debentures presented for redemption on July 1, 1943, or for purchase from April 1 to June 30, 1943, inclusive, must be assigned by the registered payee or assignee thereof or by their duly constituted representatives in the form indicated in paragraph 3 hereof, and should thereafter be presented and surrendered to any Federal Reserve Bank or to the Division of Loans and Currency, Treasury Department, Washington, D. C., accompanied by appropriate written

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advice. (Use Form PD 1834.) The debentures must be delivered at the expense and risk of the holders. (See paragraph 8 of this section.) In all cases checks in payment of principal and final interest will be mailed to the address given in the form of advice accompanying the debentures when surrendered.

3. If the registered payee or an assignee holding under proper assignment from the registered payee desires that payment be made to him, the debentures should be assigned by such payee or assignee or by a duly constituted representative to "The Federal Housing Commissioner for redemption" or to "The Federal Housing Commissioner for purchase," according to whether the debentures are to be presented for redemption on July 1, 1943, or for purchase prior to that date. If it is desired for any reason that payment be made to some other person without intermediate assignment, the debentures should be assigned to "The Federal Housing Commissioner for redemption (or purchase) for the account of_____," inserting the name and address of the person to whom payment is to be made.

4. An assignment in blank or other assignment having similar effect will be recognized, but in that event payment will be made to the person surrendering the debenture for redemption or purchase since, under such an assignment, the debenture becomes in effect payable to bearer. Assignments in blank or assignments having similar effect should be avoided, if possible, in order not to lose the protection afforded by registration.

5. Final interest on any ninth-called debentures, whether purchased prior to or redeemed on or after July 1, 1943, will be paid with the principal in accordance with the assignments on the debentures surrendered.

6. All assignments must be made on the debentures themselves unless otherwise directed by the Treasury Department. Detached assignments will be recognized and accepted in any particular case in which the use of detached assignments is specifically authorized by the Treasury Department. Any assignment not made upon the debenture is considered a detached assignment.

7. A ninth-called debenture registered in the name of, or assigned to, a corporation, will be paid to such corporation on or after July 1, 1943, upon an appropriate assignment for that purpose executed on behalf of the corporation by a duly authorized officer thereof. An assignment so executed and duly attested in accordance with Treasury Department regulations will ordinarily be accepted without proof of the officer's authority. In all cases coming under this provision payment will be made only by check drawn to the order of the corporation. Proof of the authority of the officer assigning on behalf of a corporation will be required, in accordance with the general regulations of the Treasury Department, in the case of assignments for purchase prior to July 1, 1943, and in case of assignments for redemption on or after July 1, 1943, for the account of any person other than the corporation.

8. Debentures presented for redemption or purchase under this circular must be delivered to a Federal Reserve Bank or to the Division of Loans and Currency, Treasury Department, Washington, D. C., at the expense and risk of the holder. Debentures bearing restricted assignments may be forwarded by registered mail, but debentures bearing unrestricted assignments should be forwarded by registered mail insured or by express prepaid.

9. In order to facilitate the redemption of ninth-called debentures on July 1, 1943, any such debenture may be presented and surrendered in the manner herein prescribed in advance of that date but not before June 1, 1943. Such early presentation by holders will insure prompt payment of principal and interest when due.

V. GENERAL PROVISIONS

1. Any further information which may be desired regarding the redemption of ninth-called debentures under this circular may be obtained from any Federal Reserve Bank or from the Division of Loans and Currency, Treasury Department, Washington, D. C., where copies of the Treasury Department's regulations governing assignments may be obtained.

2. As fiscal agents of the United States, Federal Reserve Banks are authorized and requested to perform any necessary acts under this circular. The Secretary of the Treasury may at any time or from time to time prescribe supplemental and amendatory rules and regulations governing the matters covered by this circular, which will be communicated promptly to the registered owners of ninth-called debentures.

D. W. BELL,
Acting Secretary of the Treasury.

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Exhibit 45

Partial redemption, before maturity, of 2¾ percent housing insurance fund debentures, Series D

[Department Circular No. 713. Public Debt]

TREASURY DEPARTMENT,
Washington, March 27, 1943.

To Holders of 2¾ Percent Housing Insurance Fund Debentures, Series D:

I. NOTICE OF CALL FOR PARTIAL REDEMPTION, BEFORE MATURITY, OF 2¾ PERCENT HOUSING INSURANCE FUND DEBENTURES, SERIES D

The Federal Housing Commissioner, with the approval of the Secretary of the Treasury, has issued the following notice of call for partial redemption and offer to purchase with respect to 2¾ percent housing insurance fund debentures, Series D:

"Pursuant to the authority conferred by the National Housing Act (48 Stat. 1246; U. S. C., title 12, sec. 1701 et seq.) as amended, public notice is hereby given that 2¾ percent housing insurance fund debentures, Series D, of the denominations and serial numbers designated below, are hereby called for redemption, at par and accrued interest, on July 1, 1943, on which date interest on such debentures shall cease:

Denomination:	*Serial numbers (All numbers inclusive)*
$50	1
$100	1 to 3
$500	1
$1,000	1 to 3
$5,000	1
$10,000	1 to 161

"The debentures first issued as determined by the serial numbers, were selected for redemption by the Commissioner, Federal Housing Administration, with the approval of the Secretary of the Treasury.

"No transfers or denominational exchanges in debentures covered by the foregoing call will be made on the books maintained by the Treasury Department on or after April 1, 1943. This does not affect the right of the holder of a debenture to sell and assign the debenture on or after April 1, 1943, and provision will be made for the payment of final interest due July 1, 1943, with the principal thereof to the actual owner, as shown by the assignments thereon.

"The Commissioner of the Federal Housing Administration hereby offers to purchase any debentures included in this call at any time from April 1 to June 30, 1943, inclusive, at par and accrued interest, to date of purchase.

"Instructions for the presentation and surrender of debentures for redemption on or after July 1, 1943, or for purchase prior to that date will be given by the Secretary of the Treasury."

II. TRANSACTIONS IN CALLED DEBENTURES

1. The debentures included in the foregoing notice of call for partial redemption on July 1, 1943, are hereby designated called 2¾ percent housing insurance fund debentures, Series D, and are hereinafter referred to as called debentures.

2. Transfers and denominational exchanges in called debentures will terminate at the close of business on March 31, 1943.

III. REDEMPTION OR PURCHASE

1. Holders of called debentures will be entitled to have such debentures redeemed and paid at par on July 1, 1943, with interest in full to that date, at the rate of $13.75 per $1,000. Interest on called debentures will cease on July 1, 1943.

2. Holders of called debentures have the privilege of presenting such debentures at any time from April 1 to June 30, 1943, inclusive, for purchase at par and accrued interest, at the rate of $0.075967 per $1,000 per day from January 1, 1943, to date of purchase.

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IV. RULES AND REGULATIONS GOVERNING REDEMPTION AND PURCHASE

1. The United States Treasury Department is the agent of the Federal Housing Commissioner for the redemption and purchase of called debentures. In accordance with regulations adopted by the Federal Housing Commissioner and approved by the Secretary of the Treasury, the assignment, redemption, and purchase of called debentures will be governed by the general regulations of the Treasury Department with respect to United States bonds and notes, so far as applicable, except as otherwise provided herein.

2. Called debentures presented for redemption on July 1, 1943, or for purchase from April 1 to June 30, 1943, inclusive, must be assigned by the registered payee or assignee thereof or by their duly constituted representatives in the form indicated in paragraph 3 hereof, and should thereafter be presented and surrendered to any Federal Reserve Bank or to the Division of Loans and Currency, Treasury Department, Washington, D. C., accompanied by appropriate written advice. (Use Form PD 1835.) The debentures must be delivered at the expense and risk of the holders. (See paragraph 8 of this section.) In all cases checks in payment of principal and final interest will be mailed to the address given in the form of advice accompanying the debentures when surrendered.

3. If the registered payee or an assignee holding under proper assignment from the registered payee desires that payment be made to him, the debentures should be assigned by such payee or assignee or by a duly constituted representative to "The Federal Housing Commissioner for redemption" or to "The Federal Housing Commissioner for purchase," according to whether the debentures are to be presented for redemption on July 1, 1943, or for purchase prior to that date. If it is desired for any reason that payment be made to some other person without intermediate assignment, the debentures should be assigned to "The Federal Housing Commissioner for redemption (or purchase) for the account of _____," inserting the name and address of the person to whom payment is to be made.

4. An assignment in blank or other assignment having similar effect will be recognized, but in that event payment will be made to the person surrendering the debenture for redemption or purchase since, under such an assignment, the debenture becomes in effect payable to bearer. Assignments in blank or assignments having similar effect should be avoided, if possible, in order not to lose the protection afforded by registration.

5. Final interest on any called debentures, whether purchased prior to or redeemed on or after July 1, 1943, will be paid with the principal in accordance with the assignments on the debentures surrendered.

6. All assignments must be made on the debentures themselves unless otherwise directed by the Treasury Department. Detached assignments will be recognized and accepted in any particular case in which the use of detached assignments is specifically authorized by the Treasury Department. Any assignment not made upon the debenture is considered a detached assignment.

7. A called debenture registered in the name of, or assigned to, a corporation, will be paid to such corporation on or after July 1, 1943, upon an appropriate assignment for that purpose executed on behalf of the corporation by a duly authorized officer thereof. An assignment so executed and duly attested in accordance with Treasury Department regulations will ordinarily be accepted without proof of the officer's authority. In all cases coming under this provision payment will be made only by check drawn to the order of the corporation. Proof of the authority of the officer assigning on behalf of a corporation will be required, in accordance with the general regulations of the Treasury Department, in the case of assignments for purchase prior to July 1, 1943, and in case of assignments for redemption on or after July 1, 1943, for the account of any person other than the corporation.

8. Debentures presented for redemption or purchase under this circular must be delivered to a Federal Reserve Bank or to the Division of Loans and Currency, Treasury Department, Washington, D. C., at the expense and risk of the holder. Debentures bearing restricted assignments may be forwarded by registered mail, but debentures bearing unrestricted assignments should be forwarded by registered mail insured or by express prepaid.

9. In order to facilitate the redemption of called debentures on July 1, 1943, any such debenture may be presented and surrendered in the manner herein prescribed in advance of that date but not before June 1, 1943. Such early presentation by holders will insure prompt payment of principal and interest when due.

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V. GENERAL PROVISIONS

1. Any further information which may be desired regarding the redemption of called debentures under this circular may be obtained from any Federal Reserve Bank or from the Division of Loans and Currency, Treasury Department, Washington, D. C., where copies of the Treasury Department's regulations governing assignments may be obtained.

2. As fiscal agents of the United States, Federal Reserve Banks are authorized and requested to perform any necessary acts under this circular. The Secretary of the Treasury may at any time or from time to time prescribe supplemental and amendatory rules and regulations governing the matters covered by this circular, which will be communicated promptly to the registered owners of called debentures.

D. W. BELL,
Acting Secretary of the Treasury.

MONETARY DEVELOPMENTS

Exhibit 46

Announcement, July 6, 1942, of the signing of an agreement between the United States and Cuba relating to the sale of gold to Cuba

The Secretary of the Treasury, Henry Morgenthau, Jr., and the Cuban Ambassador, Dr. Aurelio F. Concheso, today signed an agreement under which the Government of the United States undertakes to sell gold to the Government of the Republic of Cuba from time to time with payment to be made within 120 days after delivery of the gold provided that the unpaid-for amount of gold shall not at any time exceed $5,000,000.

The details of the agreement were worked out between the Cuban and United States Treasuries on the occasion of a recent visit to this country by Dr. Oscar Garcia Montes, the Minister of Finance of Cuba.

This agreement, evidencing the close cooperation that has existed between the Treasuries of the Republic of Cuba and the United States, will enable the Cuban Treasury to carry out operations designed to stabilize the Cuban peso-United States dollar rate of exchange.

Exhibit 47

Announcement, July 1, 1943, of the extension of the agreement between the United States and Cuba relating to the sale of gold to Cuba

The Secretary of the Treasury, Henry Morgenthau, Jr., and the Chargé d'Affaires of Cuba, Dr. Jose T. Baron, today extended for two years beyond June 30, 1943, the agreement under which the Government of the United States undertakes to sell gold to the Government of the Republic of Cuba. The agreement provides that payment may be made within one hundred and twenty days after delivery of the gold, provided that the unpaid-for amount of gold shall not at any time exceed $5,000,000.

The agreement which was extended today evidences the close cooperation that exists between the Treasuries of the Republic of Cuba and the United States, and will enable the Cuban Treasury to carry out operations designed to stablize the Cuban peso-United States dollar rate of exchange.

The agreement has been in operation since July 1942, and has proved to be very effective.

Exhibit 48

Announcement, July 2, 1942, of the extension for one year of the agreement of April 1, 1941, between the United States and China involving the purchase of Chinese yuan

The agreement of April 1, 1941 (signed April 25, 1941), between the United States and China, under which the United States stabilization fund undertook to purchase Chinese yuan to the amount of $50,000,000 and under which the Stabilization Board of China was established, has been extended for a period of one year beyond June 30, 1942.

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The extension of the 1941 agreement is in accordance with the established policy of the Treasury of giving full financial aid to the Chinese Government and of supporting the foreign exchange position of the Chinese yuan.

Exhibit 49

Announcement, December 31, 1942, of the extension of the stabilization arrangement of July 14, 1937, between the United States and China

Secretary Morgenthau announced today that the stabilization arrangement of July 14, 1937, under which the Central Bank of China has been enabled to obtain up to $50,000,000 in United States dollar exchange has been extended for a period of six months beyond December 31, 1942.

The Secretary also announced that the Government of China had completely liquidated all obligations which it had incurred in the past under the 1937 arrangement. China's favorable record under this arrangement, the Secretary declared, was another example of China's creditable dealings with the United States.

This arrangement was extended at the request of the Government of China. The Treasury, in accordance with its traditional policy of giving full financial cooperation to the Chinese Government, was pleased to agree to this request, the Secretary said.

Exhibit 50

Announcement, July 6, 1942, of the extension of the stabilization agreement between the United States and Brazil

The Secretary of the Treasury, Henry Morgenthau, Jr., and Minister Fernando Lobo, Chargé d'Affaires of the United States of Brazil in Washington, today signed an agreement extending to July 15, 1947, the stabilization agreement entered into five years ago.

Under this agreement, as extended today, the United States will make dollar exchange available to the Government of the United States of Brazil for the purpose of stabilizing the Brazilian milreis-United States dollar rate of exchange up to a total amount of $100,000,000 and will sell gold to the United States of Brazil at such times and in such amounts as the Brazilian Government may request, also to a total amount of $100,000,000. In the agreement as originally drafted these two amounts were $60,000,000.

"The extension of this agreement between the Treasuries of the United States of America and the United States of Brazil and the increase in the facilities made available to Brazil under the agreement," said Secretary Morgenthau, "are a further evidence of the close and friendly relations existing between the two countries and constitute an assurance of continued cooperation between the two Treasuries.

"The friendship and understanding symbolized by this and other agreements with our great sister republic in South America promise much for both a joint attack on the problems of the war and a solution for our common problems in the peace."

Exhibit 51

Joint statement by the Secretary of the Treasury of the United States and a representative of the Secretary of the Treasury of Mexico, June 3, 1943, announcing the extension for two years of the stabilization agreement of 1941

The following joint statement is made by Secretary Morgenthau and by Antonio Espinosa de los Monteros, representing the Secretary of the Treasury of Mexico:

"The stabilization agreement of 1941 between the United States and Mexico, under which the United States stabilization fund undertakes to purchase Mexican pesos to the amount of $40 million for the purpose of stabilizing the United States dollar-Mexican peso rate, has been extended today for a period of two years beyond June 30, 1943. The agreement also provides for periodic conferences among representatives of the two Treasuries and the Bank of Mexico.

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"The extension of the 1941 agreement is in accord with the policy of the Mexican and the United States Treasuries of maintaining the stability of the rate of exchange between the currencies of the two countries. In so doing, the foundation for stable economic and financial relations between Mexico and the United States is maintained. It is a concrete demonstration of what is meant by the Good-Neighbor Policy and of the ability of the United States and Mexico to cooperate effectively as allies in war.

"The extension of this agreement was signed for Mexico by Mr. Antonio Espinosa de los Monteros, the representative of the Secretary of the Treasury of Mexico, and Mr. Rodrigo Gomez, the representative of the Bank of Mexico."

Exhibit 52

Joint statement by the Secretary of the Treasury of the United States and the Ambassador of Ecuador, July 1, 1943, announcing the extension for one year of the stabilization agreement of 1942

The following joint statement is made by Secretary Morgenthau and by C. E. Alfaro, Ambassador of the Republic of Ecuador:

"The stabilization agreement of 1942 between the United States and Ecuador, under which the United States stabilization fund undertakes to purchase Ecuadoran sucres to the amount of $5 million for the purpose of stabilizing the United States dollar-Ecuadoran sucre rate, has been extended today for a period of one year beyond June 30, 1943. The agreement also provides for periodic conferences among representatives of the two Treasuries.

"The extension of the 1942 agreement is in accord with the policy of the Ecuadoran and the United States Treasuries of maintaining the stability of the rate of exchange between the currencies of the two countries. In so doing, the foundation for stable economic and financial relations between Ecuador and the United States is maintained.

"The extension of this agreement was signed for Ecuador by Mr. C. E. Alfaro, Ambassador of the Republic of Ecuador."

Exhibit 53

Joint statement by the Secretary of the Treasury of the United States and the Minister of Iceland, July 1, 1943, announcing the extension for one year of the stabilization agreement of 1942

The following joint statement is made by Secretary Morgenthau and by Thor Thors, Minister of Iceland:

"The stabilization agreement of 1942 between the United States and Iceland, under which the United States stabilization fund undertakes to purchase Icelandic krona to the amount of $2 million, for the purpose of stabilizing the United States dollar-Icelandic krona rate of exchange, has been extended today for a period of one year beyond June 30, 1943. The agreement also provides for periodic conferences among representatives of the two countries.

"The extension of the 1942 agreement is in accord with the policy of the Icelandic Ministry of Finance and the United States Treasury of maintaining the stability of the rate of exchange between the currencies of the two countries. In so doing, the foundation for stable economic and financial relations between Iceland and the United States is maintained.

"The extension of this agreement was signed for Iceland by Mr. Thor Thors, Minister of Iceland."

Exhibit 54

Treasury proposal for an international stabilization fund of the United and Associated Nations

PRESS RELEASE, APRIL 7, 1943, MAKING PUBLIC A LETTER FROM THE SECRETARY OF THE TREASURY TO THE MINISTERS OF FINANCE OF THIRTY-SEVEN COUNTRIES

The Treasury today made public a letter from Secretary Morgenthau to the Ministers of Finance of thirty-seven countries, inviting them to send technical

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experts to Washington to discuss suggestions for an international stabilization fund of the United and Associated Nations. The text of the letter is as follows:

MY DEAR MR. MINISTER:

I am sending for your examination a preliminary draft of a proposal for an international stabilization fund of the United and Associated Nations. This draft was prepared by the technical staff of the United States Treasury in consultation with the technical experts of other departments of this Government.

The document is sent to you not as an expression of the official views of this Government but rather as an indication of the views widely held by the technical experts of this Government. I hope you will examine the draft and submit it for critical study by the technical experts of your Ministry and your Government. After you and your experts have had opportunity to study it, you may wish to send one or more of your technical experts to Washington to give me your preliminary reaction to the draft proposal, and to discuss with our technical experts the feasibility of international monetary cooperation along the lines suggested therein, or along any other lines you may wish to suggest. We are informed that the technical experts of the British Government have also been studying the question and will doubtless make their views available.

It seems to me that the enclosed draft proposal points the way to an effective means of facilitating through cooperative action the maintenance of international monetary stability and the restoration and balanced growth of international trade. It is my hope that as a result of unofficial discussions involving no commitments, we may find a sufficient area of agreement to warrant proceeding on a more formal basis.

Very truly yours,

HENRY MORGENTHAU, Jr.,
Secretary of the Treasury.

The countries to whose Finance Ministers the letters were addressed are the following:

Australia
Belgium
Brazil
Canada
China
Costa Rica
Cuba
Czechoslovakia
Dominican Republic
El Salvador
Ethiopia
Great Britain
Greece
Guatemala
Haiti
Honduras
India
Iraq
Luxembourg
Mexico
Netherlands
New Zealand
Nicaragua
Norway
Panama
Poland
South Africa, Union of
Union of Soviet Socialist Republics
Yugoslavia
Bolivia
Colombia
Chile
Ecuador
Paraguay
Peru
Uruguay
Venezuela

MEMORANDUM ON A STABILIZATION FUND OF THE UNITED AND ASSOCIATED NATIONS

It is still too soon to know the precise form and magnitude of post-war monetary problems. But it is certain that we shall be confronted with the task of dealing with three inseparable monetary problems: to prevent the disruption of foreign exchanges, to avoid the collapse of some monetary systems, and to facilitate the restoration and balanced growth of international trade. Clearly, such a formidable task can be successfully handled only through international action.

The creation of instrumentalities adequate to deal with the inevitable post-war monetary problems should not be postponed until the end of hostilities. It would be ill-advised if not dangerous to leave ourselves unprepared at the end of the war for the difficult task of international monetary cooperation. We should begin now to devise an international monetary agency, for the task is certain to take many months at least. Specific and practical proposals must be formulated by

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the experts and must be carefully considered by the policy-shaping officials of the various countries. In each country acceptance of a definitive plan can follow only upon legislative or executive action. And even when a plan is finally adopted, much time will be consumed in gathering personnel and in establishing an organization before an international institution for monetary cooperation can begin effective work.

There is another important reason for initiating now concrete discussions of specific proposals. A plan for international monetary cooperation can be a factor in winning the war. It has been suggested, and with much cogency, that the task of assuring the defeat of the Axis powers would be made easier if the victims of aggression, actual and potential, could have greater assurance that a victory of the United Nations will not mean in the economic sphere a repetition of the exchange instability and monetary collapse that followed the last war. That assurance should be given now. The people in all of the United Nations must be encouraged to feel themselves on solid ground. They must be given to understand that a victory of the United Nations will not usher in another two decades of widespread economic disruption. The people must know that we at last recognize the fundamental truth that prosperity, like peace, is indivisible.

One of the appropriate agencies to deal with international economic and monetary problems would be an international stabilization fund with resources and powers adequate to the task of helping to achieve monetary stability and to facilitate the restoration and balanced growth of international trade. A proposal drafted by American technical experts is appended. The draft presents only the essential elements of an international stabilization fund. The provisions of the proposal are in every sense tentative, intended as a basis for discussion and exchange of views. Obviously, there are many details that have been omitted and that can be better formulated after there is agreement on the general principles.

It is recognized that an international stabilization fund is only one of the instrumentalities which may be needed in the field of international economic cooperation. Other agencies are also needed to provide capital for post-war reconstruction and development, to provide funds for rehabilitation and relief, and to promote stability in the prices of primary international commodities. There is a strong temptation to embrace within a single international agency the responsibility for dealing with these and other international economic problems. We believe, however, that international economic institutions can operate more effectively if they are not burdened with important but extraneous duties for which they have not been devised and for which they are unsuited. For example, the highly specialized nature of international monetary stabilization and the provision of long-term capital would seem to call for separate institutions each designed to deal with its distinct problems.

It should be emphasized that the appended draft deals only with an international stabilization fund. It is anticipated that there will also be submitted for consideration a preliminary draft of a proposal for an international agency whose function will be to provide capital for reconstruction and development. It is hoped that the appended draft will call forth from the experts of the United Nations, critical comment and constructive suggestions. It is our belief that a workable and acceptable plan can emerge only from the joint efforts of the United Nations.

WASHINGTON, D. C., *January 1943.*

PRELIMINARY DRAFT OUTLINE OF PROPOSAL FOR A UNITED AND ASSOCIATED NATIONS STABILIZATION FUND

I. *Purposes of the fund:*

1. To stabilize the foreign exchange rates of the currencies of the United Nations and nations associated with them.
2. To shorten the periods and lessen the degree of disequilibrium in the international balance of payments of member countries.
3. To help create conditions under which the smooth flow of foreign trade and of productive capital among the member countries will be fostered.
4. To facilitate the effective utilization of the abnormal foreign balances accumulating in some countries as a consequence of the war situation.
5. To reduce the use of foreign exchange controls that interfere with world trade and the international flow of productive capital.
6. To help eliminate bilateral exchange clearing arrangements, multiple currency devices, and discriminatory foreign exchange practices.

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II. *Composition of the fund:*

1. The fund shall consist of gold, currencies of member countries, and securities of member governments.
2. Each of the member countries shall subscribe a specified amount which will be called its quota. The aggregate of quotas of the member countries shall be the equivalent of at least $5 billion.

   The quota for each member country shall be determined by an agreed upon formula. The formula should give due weight to the important factors relevant to the determination of quotas, e. g., a country's holdings of gold and foreign exchange, the magnitude of the fluctuations in its balance of international payments, and its national income.
3. Each member country shall provide the fund with 50 percent of its quota on or before the date set by the Board of Directors of the fund on which the fund's operations are to begin.
4. The initial payment of each member country (consisting of 50 percent of its quota) shall be 12.5 percent of its quota in gold, 12.5 percent in local currency, and 25 percent in its own (i. e., government) securities. However, any country having less than $300 million in gold need provide initially only 7.5 percent of its quota in gold, and any country having less than $100 million in gold need provide initially only 5 percent of its quota in gold, the contributions of local currency being increased correspondingly. A country may, at its option, substitute gold for its local currency or securities in meeting its quota requirement.
5. The member countries of the fund may be called upon to make further provision toward meeting their quotas pro rata at such times, in such amounts, and in such form as the Board of Directors of the fund may determine, provided that the proportion of gold called for shall not exceed the proportions indicated in II–4 above, and provided that a four-fifths vote of the Board shall be required for subsequent calls to meet quotas.
6. Any changes in the quotas of member countries shall be made only with the approval of a four-fifths vote of the Board.

III. *Powers and operations.*—The fund shall have the following powers:

1. To buy, sell, and hold gold, currencies, bills of exchange, and government securities of member countries; to accept deposits and to earmark gold; to issue its own obligations, and to discount or offer them for sale in member countries; and to act as a clearing house for the settling of international movements of balances, bills of exchange, and gold.

   All member countries agree that all of the local currency holdings shall be free from any restrictions as to their use. This provision does not apply to abnormal war balances acquired in accordance with the provisions of III–9, below.
2. To fix the rates at which it will buy and sell one member's currency for another, and the rates in local currencies at which it will buy and sell gold. The guiding principle in the fixing of such rates shall be stability in exchange relationships. Changes in these rates shall be considered only when essential to correction of a fundamental disequilibrium and be permitted only with the approval of four-fifths of member votes.
3. To sell to the treasury of any member country (or stabilization fund or central bank acting as its agent) at a rate of exchange determined by the fund, currency of any member country which the fund holds, provided that:

   a. The foreign exchange demanded from the fund is required to meet an adverse balance of payments on current account with the country whose currency is being demanded.
   b. The fund's holdings of the currency of any member country shall not exceed during the first year of the operation of the fund, the quota of that country; it shall not exceed during the first two years 150 percent of such quota; and thereafter it shall not exceed 200 percent of such quota; except that upon approval by four-fifths of the member votes, the fund may purchase any local currency in excess of these limits, provided that at least one of the following two conditions is met:

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i. The country whose currency is being acquired by the fund agrees to adopt and carry out measures recommended by the fund designed to correct the disequilibrium in the country's balance of payments, or

ii. It is believed that the balance of payments of the country whose currency is being acquired by the fund will be such as to warrant the expectation that the excess currency holdings of the fund can be disposed of within a reasonable time.

c. When the fund's net holdings of any local currency exceed the quota for that country, the country shall deposit with the fund a special reserve in accordance with regulations prescribed by the Board of Directors. This provision does not apply to currencies acquired under III–9 below.

d. When a member country is exhausting its quota more rapidly than is warranted in the judgment of the Board of Directors, the Board may place such conditions upon additional sales of foreign exchange to that country as it deems to be in the general interest of the fund.

e. A charge at the rate of 1 percent per annum, payable in gold, shall be levied against any member country on the amount of its currency held by the fund in excess of the quota of that country. Abnormal war balances acquired by the fund (in accordance with III–9 below) shall not be included in the computed balance of local currency used as a basis for this charge.

f. When the fund's holdings of the local currency of a member country exceed the quota of that country, upon request by the member country, the fund shall resell to the member country the fund's excess holdings of the currency of that country for gold or acceptable foreign exchange.

4. The right of a member country to purchase foreign exchange from the fund with its local currency for the purpose of meeting an adverse balance of payments on current account is recognized only to the extent of its quota, subject to the limitation in III–3 above and III–7 below.

5. With the approval of four-fifths of the member votes, the fund in exceptional circumstances may sell foreign exchange to a member country to facilitate transfer of capital, or repayment or adjustment of foreign debts, when in the judgment of the Board such a transfer is desirable from the point of view of the general international economic situation.

6. When the fund's holdings of any particular currency drop below 15 percent of the quota of that country, and after the fund has used for additional purchases of that currency,

(a) Gold in an amount equal to the country's contribution of gold to the fund, and

(b) The country's obligations originally contributed,

the fund has the authority and the duty to render to the country a report embodying an analysis of the causes of the depletion of its holdings of that currency, a forecast of the prospective balance of payments in the absence of special measures, and finally, recommendations designed to increase the fund's holdings of that currency. The Board member of the country in question should be a member of the fund committee appointed to draft the report. This report should be sent to all member countries and, if deemed desirable, made public.

Member countries agree that they will give immediate and careful attention to recommendations made by the fund.

7. Whenever it becomes evident to the Board of Directors that the anticipated demand for any particular currency may soon exhaust the fund's holdings of that currency, the Board of Directors of the fund shall inform the member countries of the probable supply of this currency and of a proposed method for its equitable distribution,

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together with suggestions for helping to equate the anticipated demand and supply for the currency.

The fund shall make every effort to increase the supply of the scarce currency by acquiring that currency from the foreign balances of member countries. The fund may make special arrangements with any member country for the purpose of providing an emergency supply under appropriate conditions which are acceptable to both the fund and the member country.

The privilege of any country to acquire an amount of other currencies equal to or in excess of its quota shall be limited by the necessity of assuring an appropriate distribution among the various members of any currency the supply of which is being exhausted. The fund shall apportion its sales of such scarce currency. In such apportionment, it shall be guided by the principle of satisfying the most urgent needs from the point of view of the general international economic situation. It shall also consider the special needs and resources of the particular countries making the request for the scarce currency.

8. In order to promote the most effective use of the available and accumulating supply of foreign exchange resources of member countries, each member country agrees that it will offer to sell to the fund, for its local currency or for foreign currencies which it needs, all foreign exchange and gold it acquired in excess of the amount it possessed immediately after joining the fund. For the purpose of this provision, including computations, only free foreign exchange and gold are considered. The fund may accept or reject the offer.

To help achieve this objective each member country agrees to discourage the unnecessary accumulation of foreign balances by its nationals. The fund shall inform any member country when, in its opinion, any further growth of privately held foreign balances appears unwarranted.

9. To buy from the governments of member countries, abnormal war balances held in other countries, provided all the following conditions are met:

   a. The abnormal war balances are in member countries and are reported as such (for the purpose of this provision) by the member government on date of its becoming a member.
   b. The country selling the abnormal war balances to the fund agrees to transfer these balances to the fund and to repurchase from the fund 40 percent of them (at the same price) with gold or such free currencies as the fund may wish to accept, at the rate of 2 percent of the transferred balances each year for 20 years beginning not later than 3 years after the date of transfer.
   c. The country in which the abnormal war balances are held agrees to the transfer to the fund of the balances described in (b) above, and to repurchase from the fund 40 percent of them (at the same price) with gold or such currencies as the fund may wish to accept, at the rate of 2 percent of the transferred balances each year for 20 years beginning not later than 3 years after the date of transfer.
   d. A charge of 1 percent, payable in gold, shall be levied against the country selling its abnormal war balances and against the country in which the balances are held. In addition a charge of 1 percent, payable in gold, shall be levied annually against them on the amount of such balances remaining to be repurchased by each country.
   e. If the country selling abnormal war balances to the fund asks for foreign exchange rather than local currency, the request will not be granted unless the country needs the foreign exchange for the purpose of meeting an adverse balance of payments not arising from the acquisition of gold, the accumulation of foreign balances, or other capital transactions.
   f. Either country may, at its option, increase the amount it repurchases annually. But, in the case of the country selling abnormal war balances to the fund, not more than 2 percent per annum of the original sum taken over by the

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fund shall become free, and only after 3 years shall have elapsed since the sale of the balances to the fund.

g. The fund has the privilege of disposing of any of its holdings of abnormal war balances as free funds after the 23 year period is passed, or sooner under the following conditions:

i. its holdings of the free funds of the country in which the balances are held fall below 15 percent of its quota; or

ii. the approval is obtained of the country in which the balances are held.

h. The country in which the abnormal war balances are held agrees not to impose any restrictions on the use of the installments of the 40 percent portion gradually repurchased by the country which sold the balances to the fund.

i. The fund agrees not to sell the abnormal war balances acquired under the above authority, except with the permission or at the request of the country in which the balances are being held. The fund may invest these balances in ordinary or special government securities of that country. The fund shall be free to sell such securities in any country, provided that the approval of the issuing government is first obtained.

j. The fund shall determine from time to time what shall be the maximum proportion of the abnormal war balances it will purchase under this provision.

Abnormal war balances acquired under this provision shall not be included in computing the amount of foreign exchange available to member countries under their quotas.

10. To buy and sell currencies of non-member countries, but shall not be authorized to hold such currencies beyond sixty days after date of purchase, except with the approval of four-fifths of the member votes.

11. To borrow the currency of any member country, provided four-fifths of the member votes approve the terms of such borrowing.

12. To sell member-country obligations owned by the fund, provided that the Board representative of the country in which the securities are to be sold approves.

To use its holdings to obtain rediscounts or advances from the central bank of any country whose currency the fund requires.

13. To invest any of its currency holdings in government securities and prime commercial paper of the country of that currency provided four-fifths of the member votes approve, and provided further that the Board representative of the country in which the investment is to be made approves.

14. To lend to any member country its local currency from the fund for one year or less up to 75 percent of the currency of that country held by the fund, provided such loan is approved by four-fifths of the member votes.

15. To levy upon member countries a pro rata share of the expenses of operating the fund, payable in local currency, not to exceed $\frac{1}{10}$ percent per annum of the quota of each country. The levy may be made only to the extent that the earnings of the fund are inadequate to meet its current expenses, and only with the approval of four-fifths of the member votes.

The fund shall make a service charge of $\frac{1}{4}$ percent or more on all exchange and gold transactions.

16. The fund shall deal only with or through—

a. The treasuries, stabilization funds, or fiscal agents of member governments;

b. The central banks, only with the consent of the member of the Board representing the country in question; and

c. Any international banks owned predominantly by member governments.

The fund may, nevertheless, with the approval of the member of the Board representing the government of the country concerned, sell its own securities, or securities it holds, directly to the public or to institutions of member countries.

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IV. *Monetary unit of the fund:*

1. The monetary unit of the fund shall be the unitas (UN) consisting of 137⅛ grains of fine gold (equivalent to $10 U. S.). The accounts of the fund shall be kept and published in terms of unitas.
2. The value of the currency of each member country shall be fixed by the fund in terms of gold or unitas and may not be altered by any member country without the approval of four-fifths of the member votes.
3. Deposits in terms of unitas may be accepted by the fund from member countries upon the delivery of gold to the fund and shall be transferable and redeemable in gold or in the currency of any member country at the rate established by the fund. The fund shall maintain a 100 percent reserve in gold against all unitas deposits.
4. No change in the value of the currencies of member countries shall be permitted to alter the value in gold or unitas of the assets of the fund. Thus if the fund approves a reduction in the value of the currency of a member country (in terms of gold or unitas) or if, in the opinion of the Board, the currency of a member country has depreciated to a significant extent, that country must deliver to the fund, when requested, an amount of its local currency equal to the decreased value of that currency held by the fund. Likewise, if the currency of a particular country should appreciate, the fund must return to that country an amount (in the currency of that country) equal to the resulting increase in the gold or unitas value of the fund's holdings. The same provisions shall also apply to the government securities of member countries held by the fund. However, this provision shall not apply to currencies acquired under III–9 (abnormal war balances).

V. *Management:*

1. The administration of the fund shall be vested in a Board of Directors. Each government shall appoint a director and an alternate, in a manner determined by it, who shall serve for a period of three years subject to the pleasure of their government. Directors and alternates may be reappointed.

   In all voting by the Board, the director or alternate of each member country shall be entitled to cast an agreed upon number of votes. The distribution of voting power shall be closely related to the quotas of member countries, although not in precise proportion to the quotas. An appropriate distribution of voting power would seem to be the following: Each country shall have 100 votes plus 1 vote for the equivalent of each 100,000 unitas ($1 million) of its quota.

   Notwithstanding the approved formula for distributing voting power, no country shall be entitled to cast more than one-fourth of the aggregate votes regardless of its quota. All decisions, except where specifically provided otherwise, shall be made by a majority of the member votes.
2. The Board of Directors shall select a managing director of the fund and one or more assistants. The managing director shall become an ex officio member of the Board and shall be chief of the operating staff of the fund. The managing director and the assistants shall hold office for two years, shall be eligible for reelection, and may be removed for cause at any time by the Board.

   The managing director of the fund shall select the operating staff in accordance with regulations established by the Board of Directors. Members of the staff may be made available, upon request of member countries, for consultation in connection with international economic problems and policies.
3. The Board of Directors shall appoint from among its members an executive committee to consist of not less than eleven members. The chairman of the Board shall be chairman of the executive committee, and the managing director of the fund shall be an ex officio member of the executive committee.

   The executive committee shall be continuously available at the head office of the fund and shall exercise the authority delegated to it by the Board. In the absence of any member of the executive com-

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mittee, his alternate shall act in his place. Members of the executive committee shall receive appropriate remuneration.

4. The Board of Directors may appoint such other committees as it finds necessary for the work of the fund. It may also appoint advisory committees chosen wholly or partially from persons not employed by the fund.
5. The Board of Directors may at any meeting, by a four-fifths vote, authorize any officers or committees of the fund to exercise any specified powers of the Board. The Board may not delegate, except to the executive committee, any authority which can be exercised only by a four-fifths vote.

   Delegated powers shall be exercised only until the next meeting of the Board, and in a manner consistent with the general policies and practices of the Board.
6. The Board of Directors may establish procedural regulations governing the operations of the fund. The officers and committees of the fund shall be bound by such regulations.
7. The Board of Directors shall hold an annual meeting and such other meetings as it may be desirable to convene. On request of member countries casting one-fourth of the votes, the chairman shall call a meeting of the Board for the purpose of considering any matters placed before it.
8. A country failing to meet its obligations to the fund may be suspended provided a majority of the member votes so decides. While under suspension, the country shall be denied the privileges of membership but shall be subject to the same obligations as any other member of the fund. At the end of two years the country shall be automatically dropped from membership unless it has been restored to good standing by a majority of the member votes.

   Any country may withdraw from the fund by giving notice, and its withdrawal will take effect two years from the date of such notice. During the interval between notice of withdrawal and the taking effect of the notice, such country shall be subject to the same obligations as any other member of the fund.

   A country which is dropped or which withdraws from membership shall have returned to it an amount in its own currency equal to its contributed quota, plus other obligations of the fund to the country, and minus any sum owed by that country to the fund. Any losses of the fund may be deducted pro rata from the contributed quota to be returned to the country that has been dropped or has withdrawn from membership. The fund shall have five years in which to liquidate its obligation to such a country. When any country is dropped or withdraws from the fund, the rights of the fund shall be fully safeguarded.
9. Net profits earned by the fund shall be distributed in the following manner:
   a. 50 percent to reserves until the reserves are equal to 10 percent of the aggregate quotas of the fund.
   b. 50 percent to be divided each year among the members in proportion to their quotas. Dividends distributed to each country shall be paid in its own currency or in unitas at the discretion of the fund.

VI. *Policies of member countries.*—Each member country of the fund undertakes the following:

1. To maintain by appropriate action exchange rates established by the fund on the currencies of other countries, and not to alter exchange rates except with the consent of the fund and only to the extent and in the direction approved by the fund. Exchange rates of member countries may be permitted to fluctuate within a specified range fixed by the fund.
2. To abandon, as soon as the member country decides that conditions permit, all restrictions and controls over foreign exchange transactions (other than those involving capital transfers) with other member countries, and not to impose any additional restrictions without the approval of the fund.

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The fund may make representations to member countries that conditions are favorable for the abandonment of restrictions and controls over foreign exchange transactions, and each member country shall give consideration to such representations.

3. To cooperate effectively with other member countries when such countries, with the approval of the fund, adopt or continue controls for the purpose of regulating international movements of capital. Cooperation shall include, upon recommendation by the fund, measures that can appropriately be taken:
   a. Not to accept or permit acquisition of deposits, securities, or investments by nationals of any member country imposing restrictions on the export of capital except with the permission of the Government of that country and the fund;
   b. To make available to the fund or to the Government of any member country full information on all property in the form of deposits, securities, and investments of the nationals of that member country; and
   c. Such other measures as the fund shall recommend.
4. Not to enter upon any new bilateral foreign exchange clearing arrangements, nor engage in multiple currency practices, except with the approval of the fund.
5. To give consideration to the views of the fund on any existing or proposed monetary or economic policy, the effect of which would be to bring about sooner or later a serious disequilibrium in the balance of payments of other countries.
6. To furnish the fund with all information it needs for its operations and to furnish such reports as it may require in the form and at the times requested by the fund.
7. To adopt appropriate legislation or decrees to carry out its undertakings to the fund and to facilitate the activities of the fund.

STATEMENT OF THE SECRETARY OF THE TREASURY, APRIL 5, 1943, BEFORE THE SENATE COMMITTEES ON FOREIGN RELATIONS AND BANKING AND CURRENCY AND THE SPECIAL COMMITTEE ON POST-WAR ECONOMIC POLICY AND PLANNING

For some time we in the Treasury have been deeply concerned with the threat of international monetary chaos at the end of this war.

We feel that international currency stability is essential to reconstruction in the post-war period and to the resumption of private trade and finance. It is generally held that this formidable task can be successfully handled only through international cooperation.

I think further that most of us would agree that the establishment of a program adequate to deal with the inevitable post-war monetary problems should not be postponed until the end of hostilities. It would be ill-advised, if not dangerous, to be unprepared for the difficult task of international monetary cooperation when the war ends. No one knows how long or how short the war will be. We therefore believe it is desirable to begin now to devise an international monetary agency adequate to cope with the problems with which we shall be confronted when the war does end.

The completion of such a task is certain to take many months at the least. Specific and practical proposals must be formulated and must be carefully considered by the policy-shaping officials of the various countries. In each country acceptance of a definitive plan can follow only upon legislative or executive action. And even when a plan is finally adopted, much time will be consumed in establishing an organization capable of beginning effective work.

There is another important reason for dealing with this problem now. A plan for international monetary cooperation can be a factor in winning the war. It has been suggested, and with much cogency, that the task of assuring the defeat of the Axis powers would be made easier if the victims of aggression, actual and potential, could have greater assurance that a victory of the United Nations will not mean in the economic sphere a repetition of the exchange instability and monetary collapse that followed the last war. That assurance should be given now. The people in all of the United Nations must be encouraged to feel themselves on solid ground. They must be given to understand that a victory of the United Nations will not usher in another two decades of widespread economic

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disruption. The people must know that we at last recognize the fundamental truth that prosperity, like peace, is indivisible.

With these points in mind the technical experts of the Treasury and other agencies of the Government for some time have been studying methods by which post-war monetary stability can be achieved. No specific plan has as yet been considered by this Government, but preliminary suggestions of our technical experts have been formulated and have been made available for exploratory study of the experts of other interested Governments. The technical men of other Governments have likewise been studying the problem.

Our own thinking along the lines of currency stability has not been addressed to concocting some panacea that will automatically cure all the economic ailments of a post-war world. Rather, we have attempted to address ourselves to the specific problem of foreign exchange stability and the common-sense way of achieving this end.

Our views are based on the rich experience that this country has had in cooperating with other Governments in our attempts to maintain exchange stability. We have tried to adapt that experience to the broader and more difficult currency problems confronting the world during the post-war years. We have also kept in mind the pattern laid down by the tripartite agreement and our own stabilization agreements.

Our tentative proposal is to establish an international stabilization fund in which all the United Nations and those nations which are associated with them in this war would participate. This fund would constitute an international agency with powers and resources adequate to promote the maintenance of currency stability. The cooperating governments who would participate in the program would, among other things, undertake not to engage in competitive depreciation of their currencies. This stability would be in large measure secured by fixing the value of currencies in terms of gold, and by providing that changes could not be made without consultation with other members.

The resources of the fund that we have in mind would be provided by the participating governments in an amount and form suited to each nation. Participation would be in the form of gold and local currency and public obligations of the member countries. The operations of the fund would include buying and selling of foreign exchange under adequate safeguards.

The fund would deal only with treasuries and central banks. It would not compete with private banks or existing agencies. Its operations would be maintained only to supplement the efforts made by each member government to maintain monetary stability. The established channels of international trade and international banking would be retained in full for all international transactions.

We have given special attention to the solution of certain troublesome monetary problems growing out of the war and have included suggestions for the handling of such problems. In particular, the fund would facilitate the restoration of free exchange markets and liberate the abnormal balances which have accumulated in some of the countries as a consequence of war conditions.

The control of the operations of the fund would be in the hands of an international board appointed by the governments of the member countries and the voting power on that board would be related to the contribution which each country makes to the required revolving fund.

The creation of an international agency of the character that we are contemplating is a logical development of the various tentative steps which have been made in the direction of stabilization of currencies during the immediate pre-war years.

I have been anxious to discuss this matter with you and to keep you informed of developments. Obviously, we are still in the early stages of our thinking and discussions. However, I did want you to know what we are doing and I do want to feel free to come back from time to time and discuss the subject with you and obtain your views and advice.

RELEASE PREPARED FOR THE USE OF THE PRESS

The stabilization of exchange rates.—The purpose of the proposed stabilization fund is to stabilize the value of the currencies of member countries. The fund would fix the rates at which it will buy and sell member currencies. Changes in exchange rates could be made only with the approval of the fund and only to meet an extreme situation. Because changes in exchange rates would be the result of

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international consultation, competitive currency depreciation among the member countries would be prevented.

Resources of the fund.—To achieve this desired currency stability the fund would, with adequate safeguards, meet the legitimate needs of member countries for foreign exchange for their current transactions. For this purpose, member countries would subscribe at least $5 billion, making initial payments of one-half of the subscription in the form of gold, currency, and government securities. Each country's subscription would be based on a combination of such factors as its holdings of gold and foreign exchange, its national income, and changes in its balance of payments position.

Removal of exchange controls.—With these provisions, the need for continuance of exchange control by individual countries would be almost entirely removed. No member country could adopt new exchange control measures except to curb undesirable capital movements and then only with the consent of the fund. Multiple currency devices and bilateral exchange clearing arrangements would also be prohibited unless approved by the fund. The fund would make possible the liberation of blocked balances growing out of the war where immediate unblocking of such balances would cause serious domestic and international repercussions.

Powers of the fund.—The fund would be given the power to buy and sell gold, currencies and, with their approval, securities of member countries. The fund could also borrow local currency with the approval of the governments concerned. The fund would deal only with the treasuries, central banks, or fiscal agents of member countries, and with international banks owned predominantly by member countries.

New international unit.—The proposal provides for an international gold monetary unit called the unitas, equal in value to $10, in terms of which accounts of the fund would be kept. The fund would not issue unitas coins or notes, but member countries could deposit gold with the fund for a credit in unitas, redeemable in gold, which could be transferred between member countries.

Management of the fund.—The fund would be managed by a Board of Directors representing the member governments. Each country would have voting power related to its subscription to the fund, but no country could have more than 25 percent of the total votes. In general, the decisions of the Board of Directors would be made by a majority vote except for certain important operations where a four-fifths vote would be necessary. The day-to-day operations would be carried on by a managing director and an executive committee appointed by the Board.

Exhibit 55

An act to extend the time within which the powers relating to the stabilization fund may be exercised

[Public Law 42, 78th Cong., S. 991]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subsection (b) of section 10 of the Gold Reserve Act of 1934, approved January 30, 1934, as amended, is amended by inserting after the second sentence thereof the following new sentence: "Such fund shall not be used in any manner whereby direct control and custody thereof pass from the President and the Secretary of the Treasury."

SEC. 2. Subsection (c) of section 10 of the Gold Reserve Act of 1934, approved January 30, 1934, as amended, is amended to read as follows:

"(c) All the powers conferred by this section shall expire June 30, 1945, unless the President shall sooner declare the existing emergency ended and the operation of the stabilization fund terminated."

Approved April 29, 1943.

Exhibit 56

Statement of the Secretary of the Treasury before the Senate Committee on Banking and Currency, April 16, 1943, relating to the extension of the stabilization fund and power to alter the gold content of the dollar

EXTENSION OF THE STABILIZATION FUND

On April 12, 1943, Senator Wagner introduced a bill (S. 991) extending to June 30, 1945, the powers relating to the stabilization fund and the power to

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alter the gold content of the dollar, both of which under the present law will otherwise expire on June 30, 1943. I am appearing before you in support of this bill.

In my previous appearance before your committee to recommend the extension of these powers, I emphasized the emergency necessitating the continuance of these powers. It is hardly necessary to say that the emergency is greater now than it was when I appeared before your committee on June 13, 1941. The monetary situation throughout the world is potentially more unstable than it has ever been before. The powers extended under the proposed bill will help assure currency stability and help avoid competitive currency depreciation in the critical period following the war.

The spread of the war to this hemisphere and the presence of American forces in many countries abroad have heightened the importance of our currency relations with these countries. The gold, currency, and stabilization operations of the stabilization fund in the past two years have reflected these changes in the world situation.

While during most of the period since 1934 there was a heavy inflow of gold into the United States so that the fund's purchases exceeded its sales of gold, during the last two fiscal years the fund has sold more gold to foreign countries than it has purchased. In the fiscal year 1942 the fund sold $644 million of gold to foreign countries and purchased $162 million of gold from foreign countries. So far in the fiscal year 1943 the fund has sold $401 million of gold to foreign countries and purchased only $27 million from foreign countries. The fund's sales of gold have been made to 21 different countries.

As I have said to this committee before, I know of no better means of settling international balances than with gold. For this reason it has been, and is, the policy of the Treasury to facilitate the continued use of gold for the settlement of international balances. Our stabilization fund has definitely contributed to the implementing of this policy. Since I last appeared before this committee the stabilization fund has entered into three gold-purchase agreements with Russia and a gold-sale agreement with Cuba.

Under the gold-sale agreement with Cuba, which was signed on July 6, 1942, the stabilization fund has undertaken to sell gold to Cuba, payment to be made in United States dollars within 120 days from the date of such sale. Under this agreement Cuba has already acquired $25 million in gold, all of which has been paid for. The agreement with Cuba was designed to facilitate the accumulation and the maintenance of a gold reserve against Cuban currency as provided by Cuban law.

During the past two years we have made and completed three gold purchase agreements with Russia. The agreements called for future delivery of gold purchased by the stabilization fund, with an advance on such gold prior to its delivery. The obligations of Russia under these agreements have been fully met. The dollars made available by these gold transactions were used by Russia to pay for purchases of goods and services in the United States in addition to the materials obtained under the terms of the lend-lease arrangement.

The series of stabilization agreements under which the stabilization fund cooperates with other countries to facilitate the maintenance of stability in the exchange rate of currencies of other countries with the dollar have been extended since July 1, 1941.

On November 19, 1941, a stabilization agreement was entered into with the Government of the Republic of Mexico and the Bank of Mexico for the purpose of stabilizing the United States dollar-Mexican peso rate of exchange. It is still necessary under this agreement for the Mexican Government to confirm its authority to guarantee the performance of all obligations undertaken by it and the Bank of Mexico.

On February 27, 1942, a stabilization agreement was signed with the Government of the Republic of Ecuador for the purpose of stabilizing the United States dollar-Ecuadoran sucre rate of exchange. The agreement is now in force, although no stabilization operations have as yet been necessary under this agreement.

As a further link in the closer relations between the Governments of the United States and Iceland, a stabilization agreement was signed with the Government of Iceland and the National Bank of Iceland on May 5, 1942, for the purpose of stabilizing the United States dollar-Icelandic krona rate of exchange. This agreement is also now in force, although no stabilization operations have as yet been necessary under this agreement.

In the same period since July 1, 1941, we have renewed the stabilization agreements with China and Brazil.

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We have two stabilization agreements with China. Under the first of these agreements, which was signed in 1937, the stabilization fund held nearly $49 million of yuan on February 10, 1938. By October 1942, China had completed the repurchasing of all the yuan. On December 31, 1942, this stabilization agreement was renewed. The stabilization fund does not at this time hold any yuan under this agreement.

The second agreement with China was signed on April 25, 1941. The first transaction under this agreement took place on December 10, 1942, when the stabilization fund acquired $10 million of Chinese yuan. On June 30, 1942, this agreement was renewed for one year. No additional operations have been undertaken under this agreement, and the stabilization fund now holds $10 million U. S. dollars in Chinese yuan under the repurchase provisions of this agreement.

The stabilization agreement with Brazil was signed in 1937. On November 5, 1941, we bought $8 million in milreis from Brazil. As Brazil's foreign exchange position was strengthened these milreis were repurchased, and on February 25, 1942, the stabilization fund held no more milreis. Under another section of this same agreement we have sold $74 million in gold to Brazil for dollars for the purpose of strengthening the monetary reserves of Brazil. The agreement with Brazil was renewed on July 15, 1942.

In September 1942, we entered into an agreement with the Government of Liberia to facilitate the conversion of the currency system of that country from sterling to dollars. The Liberian Government had for a long time been eager to adopt the exclusive use of United States currency and coin, and the need for such a conversion became more urgent in 1942 as additional British coin could not be secured and as American troops stationed in Liberia brought in United States currency and coin. The stabilization fund is facilitating the conversion of the Liberian currency system to dollars through an agreement to purchase with United States currency the British coin withdrawn from circulation. Arrangements have been made with the British Government to dispose of these British coins without cost to the stabilization fund.

Two proposed stabilization agreements are now pending. A draft of an agreement to facilitate the stabilization of the dollar-boliviano rate of exchange is now being considered by Bolivia. We are also engaged in discussions with Iran under which the Iranian Government would undertake to provide rials for the needs of our Army and other Government agencies in return for dollars paid to the Iranian account in this country. As part of this agreement, the Iranian Government undertakes not to change the dollar-rial rate of exchange without prior consultation.

In the more than nine years since the stabilization fund was created it has been operated with scrupulous care. Not only have we succeeded in keeping intact the resources that were entrusted by the Congress to the President and the Secretary of the Treasury, but in the course of performing our broader function of maintaining stability of exchange rates we have been able to accumulate a net profit which now exceeds $30 million. I do not wish to emphasize the profitability of the operations of the stabilization fund. I prefer to stress the success of the stabilization fund in its fundamental purpose of bringing about a greater degree of stability in exchange relationships of other currencies with the dollar.

The pattern for international monetary cooperation that we have developed in the operation of our stabilization fund holds a real promise of achieving currency stability in the post-war period. We took an important step in the direction of international cooperation for currency stability through the Tri-partite Accord in 1936. Unfortunately, the functioning of the Tri-partite Accord was interrupted by the war. Nevertheless, we have continued to embody the principles of that Accord in our stabilization agreements with our neighbors in Latin America and with other friendly countries. These agreements provide for maintenance of exchange stability and for periodic consultation on financial and economic conditions that may affect the stability of exchange rates. Under provisions safeguarding our interests, we have made available the resources of the stabilization fund for the purpose of maintaining stability of exchange rates. In the five years before the war and in the nearly four years since the outbreak of war, the operations of the stabilization fund have contributed to maintaining relatively stable exchange rates, despite the unprecedented conditions of political and economic disorder.

Power to Alter the Gold Content of the Dollar

The power to alter the gold content of the dollar was given to the President by Title III of the Agricultural Adjustment Act of May 12, 1933, and reaffirmed with its present limitation by the Gold Reserve Act of January 30, 1934. On

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January 31, 1934, the President fixed the dollar at its present gold content, which has remained unchanged for more than nine years.

This power was given to the President in the midst of a deep depression, unquestionably prolonged and intensified by the general depreciation of other currencies which destroyed the markets for American products abroad and brought ruinously low prices. The revaluation of the dollar was an unavoidable step in the restoration of foreign and domestic markets for the industrial and agricultural products of the American people.

This power given to the President to determine within limits the gold content of the dollar could not safely be terminated until a satisfactory means was available for assuring the stabilization of the appropriate exchange relation among currencies and avoiding competitive currency depreciation. The President recommended and the Congress enacted extensions of this power in 1937 and again in 1939 and 1941.

We are all agreed that no one can benefit from a competitive race in the depreciation of currencies. If such a development is to be avoided, we must frankly face the danger of competitive currency depreciation in the post-war period. It is not possible at this time to foresee the pattern of post-war monetary developments. But this we do know: that if we are to avoid competitive depreciation of currency after the war, it would be helpful to be armed with this power as a warning that we shall not permit the international economic position of this country to be undermined by competitive currency depreciation.

Exhibit 57

Statement of the Secretary of the Treasury, August 31, 1942, relating to the availability of silver for war uses

Secretary Morgenthau said today that the Treasury is making every effort to put all available silver into urgent war uses.

The Treasury has stocks of 2,900,000,000 ounces of silver of which 1,550,000,000 ounces have been monetized and are a reserve against silver certificates. The balance constitutes "free" silver, all of which is being lend-leased for use in war plants where it will release 40,000 tons of copper for war uses.

Substantial quantities of this free silver are already being delivered to war plants producing aluminum and magnesium.

No new purchases of foreign silver have been made since November 1941, Mr. Morgenthau said, and the delivery of newly mined domestic silver acquired under forward purchase contract has been postponed, thus permitting such silver to go into industrial uses. Two of the largest silver refiners are already taking advantage of this postponement and are delivering newly mined domestic silver to industrial users.

Until recently, Secretary Morgenthau said, silversmiths could meet all of their needs by buying foreign silver at about 35 cents an ounce. However, in the past year there has been an enormous increase in the use of silver in industries. The metal is used extensively in the production of aircraft, ordnance, naval vessels, and for other war purposes. Silver coinage has increased in many countries as a result of the war. Silversmiths are also using larger quantities of silver because copper and other scarce metals can no longer be used as a base for silver-plated ware.

Mr. Morgenthau said the supply of foreign silver has been falling off, and the 100,000,000 ounces a year being imported from Mexico and Canada are inadequate for the present demand. American silversmiths, eager for the metal, have bid up the price to 60 and 65 cents an ounce in Mexico. To prevent the diversion of the foreign silver from high priority uses, the War Production Board has issued an order restricting the purchase of silver abroad to licensed importers.

As an added inducement to foreign shippers, the Office of Price Administration recently raised the ceiling price on foreign silver to 45 cents an ounce in contrast to the 35 cent level which the Treasury maintains.

Another order of the War Production Board, effective October 1, restricts the use of foreign silver to high priority purposes.

The Office of Price Administration has also set the ceiling price for newly mined domestic silver at 71.11 cents an ounce plus freight charges, compared to the Treasury price of 71.11 cents an ounce fixed by law, thus making it more profitable for such silver to go to manufacturers instead of the Treasury.

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Exhibit 58

Announcement, September 17, 1942, of arrangements for the sale by the Treasury of silver to industrial users for war production

Secretary Morgenthau said today that the Treasury is making arrangements for the sale of approximately 5,000,000 ounces of silver to industrial users certified by the War Production Board as in urgent need of silver for immediate use in war production.

The silver which the Treasury is arranging to sell is free silver, classified as "silver ordinary." This class of silver has been accumulating over a long period and is composed in part of silver purchased for coinage prior to the Silver Purchase Act of 1934, in part of silver contained in gold deposits, in part of recovered bullion which was lost in the melting and coining processes, and the balance of silver in excess of the amount estimated to be contained in mutilated coins. For many years prior to the passage of the Silver Purchase Act of 1934, small quantities of this class of silver were sold and used in medals which the mints manufactured for private organizations. The Treasury has legal authority to sell the amount now on hand. The Silver Purchase Act of 1934 imposes no limitations on this type of sale.

This silver has been put aside for use in the event of an emergency. The Treasury has been informed by the War Production Board that there is at present an acute shortage of silver available for the manufacture of essential war materials. The War Production Board has requested that the 5,000,000 ounces of "silver ordinary" be used to alleviate this shortage.

The Treasury plans to sell this silver at the price of 45 cents an ounce to those industrial users with high priority ratings who are recommended by the War Production Board.

As previously announced, approximately 1,350,000,000 ounces of free silver have already been made available by the Treasury for use in war plants, under arrangements whereby the silver will be returned after the war. The remaining 1,550,000,000 ounces of silver held by the Treasury have been monetized and are a reserve against silver certificates.

Exhibit 59

An act to authorize the use for war purposes of silver held or owned by the United States

[Public Law 137, 78th Cong., S. 35]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the President is authorized, through the Secretary of the Treasury, upon the recommendation of the Chairman of the War Production Board, to sell, or lease for domestic purposes for a period not longer than six months after the cessation of hostilities in the present war, as proclaimed by the President, upon such terms as the Secretary of the Treasury shall deem advisable, to any person, partnership, association, or corporation, or any department of the Government, for purposes, including but not limited to the making of munitions of war and the supplying of civilian needs, and the converting of existing plants to those purposes, any silver held or owned by the United States: *Provided,* That no silver shall be sold under this Act at less than 71.11 cents per fine troy ounce: *Provided further,* That at all times the ownership and the possession or control within the United States of an amount of silver of a monetary value equal to the face amount of all outstanding silver certificates heretofore or hereafter issued by the Secretary of the Treasury shall be maintained by the Treasury.

SEC. 2. This Act shall expire on December 31, 1944.

Approved July 12, 1943.

Exhibit 60

Announcement by the Secretary of the Treasury, September 12, 1942, relating to the new five-cent pieces

Secretary Morgenthau today announced that the new five-cent piece authorized by act of Congress March 27, 1942, will be composed of 35 percent silver, 56 percent copper, and 9 percent manganese.

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Nellie Tayloe Ross, Director of the Mint, said manufacture of the new coin will start at the Philadelphia Mint next week.

The nickel now in circulation is composed of 25 percent nickel and 75 percent copper. The purpose of the change of alloy is to release nickel and copper metals needed to win the war. By adopting the new alloy, all of the nickel formerly used in the five-cent piece is saved and 25 percent of the copper.

The appearance of the new coin will not vary greatly from that of the Jefferson nickel; the design will be the same; but it will tarnish more readily.

The new coin will be adaptable to all types of vending machines, telephone mechanisms, parking meters and subway turnstiles.

The alloy was developed in the mints after extensive experimentation by mint metallurgists. Its adoption is a distinct departure from standard coinage alloys, it never having been used before by this or any other country for coinage purposes. Its use will require some new equipment in the mints. Delay in starting coinage has been occasioned, Mrs. Ross stated, by uncertainty of securing the necessary metals to sustain continuous coinage of the piece, and difficulty in securing the new equipment.

Adoption of this new coin is distinctly a war measure. The act authorizing its coinage provides for termination on December 31, 1946.

Exhibit 61

An act to further the war effort by authorizing the substitution of other materials for strategic metals used in minor coinage, to authorize the forming of worn and uncurrent standard silver dollars into bars, and for other purposes

[Public Law 815, 77th Cong., S. 2889]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) there shall be included among the coins of the United States one or more special series of coins: *Provided,* That the coinage, issuance, and circulation of the coins provided for by this section shall be subject in all respects to the conditions, terms, provisions, limitations, and exceptions specified in subsections (b) to (j) hereof.

(b) No denomination or series of coins provided for by this section shall be coined unless and until the Secretary of the Treasury shall have issued an order that shall (1) prescribe the particular denomination or series, stating the pertinent physical properties, including content, weight, dimensions, shape, and design: *Provided,* That in determining such physical properties the Secretary shall take into consideration the use of such coins in coin-operated devices; and (2) state that he has determined, after consultation with the appropriate officials charged with the production of war material, that the coinage and circulation of the particular series will operate to conserve strategic metals in furtherance of the war effort.

(c) There shall be no coinage pursuant to the provisions of this section after December 31, 1946.

(d) The coinage provided for by this section shall not be of other denominations than 1 cent piece and 3 cent piece, and the amount of coinage of each such denomination shall be prescribed by the Secretary of the Treasury.

(e) Each denomination of coins provided for by this section shall constitute a series: *Provided,* That if one denomination is coined in more than one physical form or composition, the pieces of each different physical form or composition shall constitute a separate series.

(f) The coinage provided for by this section shall be in pieces of such metallic, or other or different content, weight, dimensions, shape, limits of tolerance, and design (including devices and legends), as the Secretary of the Treasury may by regulation prescribe for the particular denomination or series: *Provided,* That no silver shall be used for the coinage provided for by this section except as specified in subsection (g) hereof.

(g) For the coinage of any series, the Secretary of the Treasury is hereby authorized to allocate to the Director of the Mint, at such times and in such amounts as the Secretary of the Treasury deems necessary, any silver bullion in the monetary stocks of the United States not then held for redemption of any outstanding silver certificates. Silver contained in any pieces coined under section 1 of this Act shall be accounted for by entries in the fund established for the purchase of metal for minor coinage: *Provided,* That the value of any silver

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bullion accounted for in said fund shall not be considered for the purpose of determining the statutory limit of said fund: *Provided further*, That the gain from the coinage of silver hereunder shall be accounted for by entries in the minor coinage profit fund. If any series is coined of silver or in part of silver, the pieces of said series shall nevertheless be deemed to be other than silver coins, subsidiary silver coins, silver coinage, or subsidiary silver coinage within the meaning of the monetary laws of the United States.

(h) The coinage provided for by this section shall be minor coinage, and the provisions of amended section 3528 of the Revised Statutes (U. S. C., title 31, sec. 340) shall apply with respect to any necessary purchases of metal or other material for the coinage provided for by this section: *Provided, however*, That contracts for said purchases may be entered into in accordance with the provisions of title II of the First War Powers Act, 1941 (55 Stat. 839; U. S. C., Supp. 1, title 50, app., sec. 611).

(i) For the purpose of amended section 3529 of the Revised Statutes (U. S. C., title 31, sec. 341), the coinage provided for in this section shall be in the same category as the minor coins referred to in said section 3529.

(j) Except as provided in this Act, the coinage provided for by this section shall be subject in all respects to the monetary laws of the United States, including, but not by way of limitation, the laws pertaining to counterfeiting, to legal tender, and to the distribution, exchange, and redemption of coins and currency.

SEC. 2. During the period when the coinage provided for by section 1 of this Act may be coined, the Secretary of the Treasury is hereby authorized in his discretion to cause the coinage of any or all of the other minor coins to be suspended for the whole of said period or for any part or parts thereof.

SEC. 3. The Secretary of the Treasury shall cause all worn and uncurrent minor coin of the United States, heretofore or hereafter issued, received in the Treasury, to be melted down, the resulting metal and material to be used for coinage or sold, which sale is hereby authorized. Such coin (including any metal and material derived therefrom), and any loss resulting from the difference between the nominal or face value of such coin and the amount the same will produce in new coin, and any loss resulting from the sale of the metal or other material, shall be accounted for by entries in the fund established for the purchase of metal for minor coinage and said fund shall be reimbursed out of the special fund denominated the minor coinage profit fund: *Provided*, That the value of any coin (including any metal, and material derived therefrom) accounted for as provided herein shall not be considered for the purpose of determining the statutory limit of the fund established for the purchase of metal for minor coinage. The proceeds from any sale pursuant to this section shall be accounted for by entries in the fund established for the purchase of metal for minor coinage.

SEC. 4. All worn and uncurrent standard silver dollars now held or hereafter received in the Treasury shall be formed into bars of such weights and degrees of fineness as the Secretary of the Treasury may direct; and the Director of the Mint is hereby authorized to cause the bars obtained pursuant to the provisions of this section to be used for coinage: *Provided however*, That whenever such bars are obtained from standard silver dollars held as security for outstanding silver certificates, an equal amount of silver shall be allocated as security for outstanding silver certificates when such bars are used for coinage.

SEC. 5. The Director of the Mint shall cause the coinage provided for by section 1 of this Act to be coined in the United States coinage mints or to be coined in whole or in part at such other places or plants as the Director may, with the approval of the Secretary of the Treasury, designate; and the Director, with the approval of the Secretary, is hereby authorized to enter into such contracts as may be necessary to carry out the purposes of this Act.

SEC. 6. There is authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $5,000,000, which shall be available for expenditure under the direction of the Secretary of the Treasury and, in his discretion, for any purpose in connection with the carrying out of this Act.

SEC. 7. The Secretary of the Treasury is hereby authorized to issue such orders, regulations, and instructions as he may deem necessary or proper to carry out the purposes of this Act.

Approved, December 18, 1942.

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Exhibit 62

Press release, December 13, 1942, of the Board of Governors of the Federal Reserve System relating to the utilization of the existing stock of Federal Reserve Bank notes

As a part of the program of the Government to conserve both labor and materials during the war period, the Board of Governors, after consultation with the Treasury Department, has authorized the Federal Reserve Banks to utilize at this time the existing stock of currency printed in the early Thirties known as "Federal Reserve Bank notes." The stock of these notes, which is in $5, $10, $20, $50 and $100 denominations, amounts to approximately $660,000,000. By making available for use, as needed, this stock of unissued paper currency, which is identical with Federal Reserve Bank notes now in circulation, it is estimated that more than $300,000 will be saved in the cost of printing new currency. In terms of labor and materials, there would be a saving of 225,000 manhours in printing alone, and of 45 tons of paper in addition to a substantial saving of nylon and ink.

Exhibit 63

An act to extend the period during which direct obligations of the United States may be used as collateral security for Federal Reserve notes

[Public Law 58, 78th Cong., S. 1041]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the second paragraph of section 16 of the Federal Reserve Act, as amended, is hereby amended by striking therefrom the words "until June 30, 1943" and by inserting in lieu thereof the words "until June 30, 1945."

Approved May 25, 1943.

GOVERNMENT DEPOSITARIES

Exhibit 64

An act suspending certain provisions of sections 12B and 19 of the Federal Reserve Act until six months after the cessation of hostilities in the present war as determined by proclamation of the President or concurrent resolution of the Congress

[Public Law 37, 78th Cong., S. 700]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the second sentence of paragraph (1) of subsection (h) of section 12B of the Federal Reserve Act (U. S. C., title 12, sec. 264 (h) (1)), as amended, is hereby further amended by substituting a colon for the period at the end thereof and adding the following: "*And provided further,* That until six months after the cessation of hostilities in the present war as determined by proclamation of the President or concurrent resolution of the Congress any balance payable to the United States by any insured bank, whether represented by a deposit account or otherwise, arising solely as a result of subscriptions made by or through such insured bank for United States Government securities issued under authority of the Second Liberty Bond Act, as amended, shall be excluded from the definition of 'deposit' for the purpose of determining the assessment base."

SEC. 2. The last sentence of section 19 of the Federal Reserve Act (U. S. C., title 12, sec. 462a–1) be amended by substituting a colon for the period at the end thereof and by adding the following: "*Provided,* That until six months after the cessation of hostilities in the present war as determined by proclamation of the President or concurrent resolution of the Congress no deposit payable to the United States by any member bank arising solely as the result of subscriptions made by or through such member bank for United States Government securities issued under authority of the Second Liberty Bond Act, as amended, shall be subject to the reserve requirements of this section."

Approved April 13, 1943.

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Exhibit 65

Regulations governing special deposits of public moneys under the act approved September 24, 1917, as amended (Second Liberty Bond Act, as amended)

[Department Circular No. 92 (Revised). Accounts]

TREASURY DEPARTMENT,
Washington, April 14, 1943.

To Federal Reserve Banks and Other Banks and Trust Companies incorporated under the laws of the United States or of any State:

Department Circular No. 92 (Revised), dated February 23, 1932, as amended, is revised to read as follows:

Banks and trust companies designated pursuant to the terms of this circular are given the title "special depositaries of public moneys" and are hereinafter referred to as "special depositaries." Special depositaries are permitted to make payment in the form of a deposit credit for the purchase price of United States Government obligations purchased by such banks or trust companies for their own account or for the account of their customers, who enter their subscriptions through these banks or trust companies, when this method of payment is permitted under the terms of the circulars inviting subscriptions to such issues. The deposit credits set up under this designation are called "war loan deposit accounts." Under this arrangement the large sums of money raised by the Treasury through financing operations are left on deposit in local banking institutions until the Treasury needs to withdraw them to meet Government expenditures thus avoiding the dislocations in the banking system which might result from immediate withdrawal of such funds. Pursuant to recent amendments to the Federal Reserve Act, these deposit accounts will, for the duration of the war and for six months after the cessation of hostilities, be exempt from insurance assessments of the Federal Deposit Insurance Corporation and from the reserve requirements of the Federal Reserve System.

GENERAL PROVISIONS

1. Any incorporated bank or trust company in any one of the States of the United States or in the District of Columbia desiring to participate in deposits of public moneys, as authorized by the act of Congress approved September 24, 1917, as amended (Second Liberty Bond Act, as amended), hereinafter referred to as the act, should make application to the Federal Reserve Bank of its district.

2. Application for deposit of public moneys under the act must be in Form H–5, and must be accompanied by a certified copy of a resolution, duly adopted by the Board of Directors of the applicant, in Form J–5.

3. Depositaries already qualified to a sufficient amount pursuant to Department Circular No. 92 (Revised) dated February 23, 1932, as amended, will not be required to file new formal applications or resolutions, but they will, by the acceptance or retention of deposits after April 30, 1943, be conclusively presumed to have assented to all the terms and provisions hereof, and to the retention of collateral security theretofore pledged as collateral security hereunder.

4. A special depositary, heretofore or hereafter designated, which having subscribed to an offering of United States bonds, notes, certificates of indebtedness, or Treasury bills and having in due course received an allotment on its subscription, refuses to receive the said allotment and to make payment therefor, may be discontinued. A special depositary discontinued for any reason may be redesignated upon full compliance with the terms of this circular, upon recommendation of the Federal Reserve Bank of its district, and upon the approval of the Secretary of the Treasury.

5. In fixing the maximum amount of deposits for which it will apply, the applicant bank or trust company should be guided by the amount of the payments which it expects to make, on subscriptions made by or through it for bonds, notes, certificates of indebtedness, and Treasury bills of the United States issued under authority of the act, and, as well by any statutory limitations upon the amount of deposits which the applicant bank or trust company may receive from any one depositor.

6. The Secretary of the Treasury will designate approved special depositaries and determine the maximum amount of deposits on the basis of recommendations of the Federal Reserve Banks. Any application may be rejected or the applicant may be designated for a smaller maximum amount than that for which it applied.

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COLLATERAL SECURITY

7. Designated special depositaries will be required, before receiving deposits, to qualify by pledging as collateral security for such deposits, securities of any of the following classes, to an amount, taken at the rates and conforming to the conditions provided below, at least equal to such deposits; provided, that no collateral security shall be required for such part of the deposits as are insured under section 12B of the Federal Reserve Act, as amended:

(*a*) *United States Government securities.*—Transferable bonds, notes, certificates of indebtedness, and Treasury bills of the United States Government of any issue, including interim certificates or receipts for payment therefor, except such securities as by the terms of their issue are not acceptable as security for deposits of public moneys; all at face value.

(*b*) *Obligations guaranteed by the United States.*—Obligations fully and unconditionally guaranteed by the United States both as to principal and interest; all at face value.

(*c*) *Obligations of Government agencies, etc.*—Obligations of the Federal land banks, Federal intermediate credit banks, Federal home loan banks, the Federal National Mortgage Association, and obligations of Public Housing Agencies (as defined in the United States Housing Act of 1937, as amended) when secured to the full amount thereof by a requisition agreement with the Federal Public Housing Authority; all at face value.

(*d*) *Insular and territorial government securities.*—Bonds of Puerto Rico, bonds and certificates of indebtedness of the Philippine Islands, and bonds of the Territory of Hawaii, all at market value, not to exceed face value.

(*e*) *State bonds.*—Bonds of any State of the United States, at market value, not to exceed face value.

(*f*) *State notes, certificates of indebtedness, and warrants.*—Approved notes, certificates of indebtedness, and warrants issued by any State of the United States; at 90 percent of market value, not to exceed face value.

(*g*) *County and municipal securities.*—Approved bonds of any county, city, or other political subdivision in the United States; and approved notes, certificates of indebtedness, and warrants with a fixed maturity issued by any county or city in the United States, which are direct obligations of the county or city as a whole, or which are payable from general taxes levied on all taxable property in such county or city; provided the obligations meet the requirements of the Comptroller of the Currency, the Board of Governors of the Federal Reserve System and the Federal Deposit Insurance Corporation for classification by bank examiners under Group I, as follows:

> Group I securities are marketable obligations in which the investment characteristics are not distinctly or predominantly speculative. This group includes general market obligations in the four highest grades and unrated securities of equivalent value.

Obligations of counties, cities, and other political subdivisions, rated in one of the three highest grades by a recognized investment service organization regularly engaged in the business of rating or grading bonds, may be accepted at 90 percent of market value, not to exceed face value, and other qualified obligations of counties, cities, and other political subdivisions may be accepted at 80 percent of market value, not to exceed face value.

(*h*) *Corporate securities.*—Approved bonds, notes, and other obligations of domestic corporations, provided they meet the requirements for classification under Group I as defined in subparagraph *g*—"County and municipal securities"—at 80 percent of market value, not to exceed face value.

(*i*) *Commercial and agricultural paper and bankers' acceptances.*—Commercial and agricultural paper and bankers' acceptances having a maturity at the time of pledge of not to exceed six months, and notes of correspondent incorporated banks or trust companies secured by such commercial or agricultural paper or bankers' acceptances, all of which are approved by the Federal Reserve Bank of the district in which the depositary is located; at 80 percent of face value.

8. The Secretary of the Treasury reserves the right to require all or any stated percentage of deposits received by any bank pursuant to the provisions of this circular and not insured under section 12B of the Federal Reserve Act, as amended, to be secured by pledge of United States Government securities or obligations guaranteed by the United States as defined in subparagraphs 7 (*a*) and 7 (*b*) above.

9. The stipulations as to the rates at which collateral may be accepted hereunder are intended to indicate maximum values only and the right is expressly reserved to call for or require additional collateral security at any time.

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10. The approval and valuation of securities is committed to the several Federal Reserve Banks, acting under the direction of the Secretary of the Treasury. The withdrawal of securities, the pledge of additional securities, and the substitution of securities shall be made from time to time as required or permitted by the Federal Reserve Banks, acting under like direction.

CUSTODY OF SECURITIES

11. All securities accepted as collateral security for deposits hereunder must be deposited with the Federal Reserve Bank or branch of the district in which the depositary is located, as fiscal agent of the United States, or by the direction of and subject to the order of such Federal Reserve Bank or branch, as fiscal agent of the United States, with a custodian or custodians within the United States designated by such Federal Reserve Bank, and under such terms and conditions as it may prescribe.

HOW DEPOSITS ARE TO BE MADE

12. Each qualified special depositary will be required to open and maintain or continue for the account of the Federal Reserve Bank of its district, as fiscal agent of the United States, a separate account for deposits to be made hereunder, to be known as the "war loan deposit account."

13. Qualified special depositaries, if and to the extent from time to time hereafter authorized by the Secretary of the Treasury, may be permitted to make payment by credit, when due, to a war loan deposit account, of amounts payable on subscriptions made by or through them for bonds, notes, certificates of indebtedness, and Treasury bills of the United States issued under authority of the act of September 24, 1917, as amended. In order to make payment by credit to a war loan deposit account, the special depositary must, on or before the date when such payment is due, notify the Federal Reserve Bank of the district of such intention and issue a certificate of advice to such Federal Reserve Bank, stating that a sum specified has been deposited with such depositary for the account of such Federal Reserve Bank, as fiscal agent of the United States, in the war loan deposit account. Such certificate of advice will be furnished in the form and manner prescribed by the Federal Reserve Bank.

14. The amount deposited with any special depositary shall not in the aggregate exceed at any one time (*a*) the maximum amount for which it shall have been designated as a depositary, nor (*b*) the aggregate amount of the collateral security pledged by it taken at the rates hereinbefore provided, excepting that part of the deposits insured under section 12B of the Federal Reserve Act, as amended.

WITHDRAWAL OF DEPOSITS

15. All deposits will be payable on demand without previous notice. Calls for withdrawals of deposits with special depositaries will be made by direction of the Secretary of the Treasury through the Federal Reserve Banks, and such depositaries will be required to arrange for payments of such calls in funds that will be immediately available on the payment due date.

EXEMPTION FROM INSURANCE ASSESSMENTS AND RESERVE REQUIREMENTS

16. The act of Congress, approved April 13, 1943, contains the following provisions relative to exemption of "war loan deposits" from (*a*) assessments for insurance by the Federal Deposit Insurance Corporation and (*b*) the reserve requirements of member banks of the Federal Reserve System:

> "* * * the second sentence of paragraph (1) of subsection (h) of section 12B of the Federal Reserve Act (U. S. C., title 12, sec. 264 (h) (1)), as amended, is hereby further amended by substituting a colon for the period at the end thereof and adding the following: '*And provided further*, That until 6 months after the cessation of hostilities in the present war as determined by proclamation of the President or concurrent resolution of the Congress any balance payable to the United States by any insured bank, whether represented by a deposit account or otherwise, arising solely as a result of subscriptions made by or through such insured bank for United States Government securities issued under authority of the Second Liberty Bond Act, as amended, shall be excluded from the definition of "deposit" for the purpose of determining the assessment base.'
>
> "SEC. 2. The last sentence of section 19 of the Federal Reserve Act (U. S. C., title 12, sec. 462a–1) be amended by substituting a colon for the period at the end thereof and by adding the following: '*Provided*, That

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until 6 months after the cessation of hostilities in the present war as determined by proclamation of the President or concurrent resolution of the Congress no deposit payable to the United States by any member bank arising solely as the result of subscriptions made by or through such member bank for United States Government securities issued under authority of the Second Liberty Bond Act, as amended, shall be subject to the reserve requirements of this section.' "

17. The right is reserved to amend or supplement or revise the provisions of this circular at any time or from time to time.

HENRY MORGENTHAU, Jr.,
Secretary of the Treasury.

Exhibit 66

Regulations governing the payment through depositary banks of funds withheld as taxes in accordance with the provisions of the Current Tax Payment Act of 1943

[Department Circular No. 714. Accounts]

TREASURY DEPARTMENT,
Washington, June 25, 1943.

1. Pursuant to section 10 of the act of June 11, 1942 (56 Stat. 356), and section 1631 of the Internal Revenue Code, as added by the Current Tax Payment Act of 1943 (Public Law 68, approved June 9, 1943), the following regulations governing the payment through depositary banks of funds withheld as taxes are hereby prescribed:

2. INSTRUCTIONS OF COMMISSIONER OF INTERNAL REVENUE RELATIVE TO PAYMENT OF TAXES

The Commissioner of Internal Revenue has issued Circular WT, dated June 1943, with reference to the collection of income tax at source on wages, in which employer's duties under the provisions of the Current Tax Payment Act of 1943 are explained. The circular contains, in part, the following information:

"19. *Payment of Tax.*—It will be the duty of every employer who withheld more than $100 during the month to pay, within 10 days after the close of each calendar month, to a depositary and financial agent authorized by the Secretary of the Treasury to receive deposits of withheld taxes, pursuant to section 1631 of the Internal Revenue Code as added by the Current Tax Payment Act of 1943, all funds withheld as taxes during that calendar month. (All banks insured by the Federal Deposit Insurance Corporation are eligible to qualify as depositaries and financial agents.) On or before the last day of the month following the close of each quarter of each calendar year, every employer shall make a return on Form W–1 to the collector of his district, covering the aggregate amount of taxes withheld during that quarter, and attach to such return, as payment for the taxes shown thereon, receipts in the form approved by the Secretary of the Treasury, issued by the authorized depositary and financial agent evidencing the payment of funds withheld as taxes: *Provided, however,* That for taxes withheld during the last month of the quarter the employer may, at his election, in lieu of this method of payment, include with his return direct remittance to the collector for the amount of the taxes withheld during such last month of the quarter. The employer may obtain from his local bank the names and locations of the nearby depositaries and financial agents authorized to receive deposits of withheld taxes. A list of the depositaries and financial agents will be furnished each bank by the Federal Reserve Bank of the District."

3. AUTHORITY TO USE INSURED BANKS AS DEPOSITARIES OF PUBLIC MONEY

Section 10 of the act approved June 11, 1942 (U. S. C., 1940 ed., Sup. II, title 12, sec. 265), provides in part as follows:

"All insured banks designated for that purpose by the Secretary of the Treasury shall be depositaries of public money of the United States * * * and the Secretary is hereby authorized to deposit public money in such depositaries, under such regulations as may be prescribed by the Secretary; and they may also be employed as financial agents of the Government; and they shall perform all such reasonable duties, as depositaries of public money and financial agents of the Government as may be required of them * * *."

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4. AUTHORITY TO USE GOVERNMENT DEPOSITARIES IN CONNECTION WITH PAYMENT OF TAXES

Section 1631 of the Internal Revenue Code as added by the Current Tax Payment Act of 1943 provides as follows:

> "The Secretary may authorize incorporated banks or trust companies which are depositaries or financial agents of the United States to receive any taxes under this chapter in such manner, at such times, and under such conditions as he may prescribe; and he shall prescribe the manner, times and conditions under which the receipt of such taxes by such depositaries and financial agents is to be treated as payment of such taxes to the collectors."

5. DESIGNATION OF GOVERNMENT DEPOSITARIES IN CONNECTION WITH PAYMENT OF TAXES

All incorporated insured banks, within the meaning of section 10 of the act of June 11, 1942, referred to in section 3 of this circular, are hereby designated, subject to the provisions of this circular, as depositaries and financial agents of the Government for receiving from employers or other persons, hereinafter referred to as employers, funds withheld as taxes pursuant to the Current Tax Payment Act of 1943: *Provided*, That no insured bank shall perform any of the acts covered by this designation until it has qualified so to act in the manner herein prescribed.[1]

Banking institutions which have heretofore been designated as depositaries and financial agents of the Government for the performance of certain classes of fiscal duties will be required to qualify under the terms of this circular in order to act as depositaries for withheld taxes.

Incorporated banks or trust companies located in the territories and insular possessions of the United States, which are not insured banks within the meaning of section 10 of the act approved June 11, 1942, but which are otherwise eligible for designation as depositaries or financial agents of the United States, may be specifically designated by the Secretary of the Treasury under other applicable statutes governing depositaries outside of the continental United States, to act as depositaries for withheld taxes upon qualification substantially in accordance with the provisions of section 6 hereof. Applications for such designation should be transmitted to the Federal Reserve Bank of the district through which clearances and settlements for the account of the Treasurer of the United States are customarily made.

6. QUALIFICATION OF GOVERNMENT DEPOSITARIES IN CONNECTION WITH PAYMENT OF TAXES

Any designated bank which desires to qualify, under the terms of this circular, for receiving from employers funds withheld as taxes pursuant to the Current Tax Payment Act of 1943, should apply for qualification through the Federal Reserve Bank of the district in which the insured bank is located.[1] Such application shall be made on Application-Agreement, Depositary for Withheld Taxes (Form No. 411). Copies of this form and instructions regarding the application may be obtained from the Federal Reserve Bank. No designated bank which has made application for qualification shall act as a Government depositary and financial agent under the terms of this circular until it receives from the Federal Reserve Bank notice of approval of the application. Upon receipt of such notice each designated bank is hereby authorized to receive funds withheld as taxes pursuant to section 1622 of the Internal Revenue Code, as added by the Current Tax Payment Act of 1943. Depositaries and financial agents qualified pursuant to the terms of this circular will be known as "depositaries for withheld taxes" and will hereinafter be referred to as depositaries.

7. ACCOUNTS, FORMS, AND PROCEDURE OF DEPOSITARIES FOR WITHHELD TAXES

Each depositary shall open and maintain on its books a special account entitled "withheld taxes" in the name of the Federal Reserve Bank of the district in which the depositary is located, as fiscal agent of the United States. Such Federal Reserve Bank will hereinafter be referred to as the Federal Reserve Bank. To this special account on the books of the depositary shall be credited all withheld taxes received by the depositary from employers.

Deposits in the special account will be permitted to accumulate until a balance

[1] Amended, see p. 378.

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of $5,000 is reached, at which time the depositary must remit, not later than the following business day, the entire balance to the Federal Reserve Bank for credit to the account of the Treasurer of the United States. Remittances to the Federal Reserve Bank, however, are not required to be made more frequently than once each day. The entire balance in the special account on the last business day in each month, regardless of the size of the balance, must be remitted to the Federal Reserve Bank not later than the following business day. Each remittance to the Federal Reserve Bank must be accompanied by the first carbon copies of the depositary receipts for withheld taxes, issued by the depositary as hereinafter provided, with regard to the funds constituting the remittance. When a remittance to the Federal Reserve Bank is made, it is essential that the accompanying depositary receipts be in the exact aggregate amount of such remittance and that they relate exclusively to the withheld taxes thus remitted. All remittances must be made in funds immediately available at the Federal Reserve Bank point.

The depositaries will receive through the Federal Reserve Banks more detailed information regarding the procedure to be followed in connection with the remittance of, and accounting for, withheld taxes received by the depositaries under the provisions of this circular.

The depositary shall issue to each employer for each payment of withheld taxes received by the depositary from such employer a depositary receipt for withheld taxes (Form No. 410), hereinafter referred to as the depositary receipt. All depositary receipts issued must be in this form and no other. Each depositary receipt will be executed by the depositary in triplicate and disposition of the original and copies shall be made by the depositary as follows:

Original.—Delivered to the employer to evidence the payment of withheld taxes to the depositary;

First copy.—Forwarded to the Federal Reserve Bank at the time the funds represented by the receipt are remitted to the Federal Reserve Bank;

Second copy.—Retained by the depositary, as its record of the payment of the withheld taxes by the employer to the depositary.

Supplies of the printed form of depositary receipt will be furnished to, or procured by, each depositary, and will be controlled, under instructions issued through the Federal Reserve Bank.

The depositary will not be required to accept from employers, as payment of withheld taxes, funds which are not immediately available to the depositary at the time of such payment. Treasury notes, tax series, or other public debt securities of the United States, will not be accepted by depositaries from employers as payment of withheld taxes under this circular. Each depositary receipt will be dated as of the day the funds are credited in the special account "withheld taxes" in the name of the Federal Reserve Bank as fiscal agent of the United States.

The original and Federal Reserve Bank copy of each depositary receipt must be signed by a duly authorized officer or employee acting on behalf of the depositary. This signature may be in any one of the following forms: (1) A manual signature of a duly authorized officer or employee followed by the title of such officer or employee; (2) a rubber stamp impression containing the name of the depositary supported by the manual initial of the receipting officer or employee and followed by his title; (3) a facsimile or rubber stamp impression signature of a duly authorized officer over his official title, supported by the manual initial of such officer or the employee receiving the deposit; or (4) a facsimile or rubber stamp impression signature of a duly authorized employee over his official title, supported by the manual initial of such employee. All initials or manual signatures should be in ink.

In the event the original of a depositary receipt is lost, stolen, or destroyed before it is forwarded to a collector of internal revenue, the employer concerned will be issued a duplicate receipt upon proper application and the submission of required evidence to the Federal Reserve Bank of the district in which the depositary which issued the original receipt is located. Such issuance of duplicate receipts will be governed by requirements and procedure to be prescribed by the Secretary of the Treasury.

8. Provision for Offsetting Costs of Depositaries for Withheld Taxes

For the purpose of offsetting additional costs incurred by depositaries in receiving from employers payments of withheld taxes and remitting the funds thus collected to Federal Reserve Banks as required herein, two alternative methods are provided by which a depositary may purchase 2 percent depositary bonds issued pursuant to Department Circular No. 660, First Supplement.

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Under one method, the depositary will be permitted to purchase 2 percent depositary bonds with its own funds. Such bonds will be issued in the name of the Federal Reserve Bank as fiscal agent of the United States in trust for the depositary, and will be required to be held by such Federal Reserve Bank in safekeeping while the depositary is qualified for receiving payments of withheld taxes.

Under the other method, the Treasury will agree to place with the depositary a balance to the credit of the Treasurer of the United States, provided that such balance will be used by the depositary for the purchase of an equal amount of 2 percent depositary bonds. Such bonds will be issued in the name of the Federal Reserve Bank as fiscal agent of the United States, in trust for the depositary, and will be held as collateral security for such deposit balance.

The amount of 2 percent depositary bonds which the depositary will be permitted to purchase under either of the alternative methods will be in proportion to the business transacted under this circular, as set forth in the attached schedules of 2 percent depositary bond allotments and Treasury balances. (See schedules 1 and 2.)

In case an insured bank qualifies as a depositary for withheld taxes on or before July 31, 1943, its initial 2 percent depositary bond allotment or Treasury balance under the method elected by the depositary will be calculated on the basis of the business transacted under this circular by the depositary during the month of August 1943. The same general rule will be applied in the case of insured banks qualifying during each month after July 1943. For example, in the case of an insured bank qualifying as a depositary during the month of August 1943, the initial 2 percent depositary bond allotment or Treasury balance will be based upon the business such depositary transacts under this circular during the month of September 1943.[1]

Appropriate adjustments in 2 percent depositary bond allotments or Treasury balances will be considered periodically on the basis of fluctuations in the business transacted after the initial allotments or Treasury balances are established. The first of such adjustments will be made at the close of the 3-month period of operations of a depositary after its initial allotment or Treasury balance is established. Thereafter, appropriate adjustments will be made at the close of each 6-month period ending on June 30 and December 31. The adjustments will be considered on the basis of the average business transacted monthly during the period under review, in relation to the schedule of 2 percent depositary bond allotments and Treasury balances then in effect. A depositary will be permitted to change from one alternative method to the other on the adjustment dates of June 30 and December 31.

Matters concerning the allotment of 2 percent depositary bonds under the terms of this circular will be handled by the Treasury Department through the Federal Reserve Banks.

9. Termination of the Qualification of a Depositary for Withheld Taxes

The Secretary of the Treasury, upon notification through the Federal Reserve Banks, may terminate at any time the qualification of any depositary for withheld taxes. Likewise, any depositary for withheld taxes may terminate its qualification upon 30 days' notice to the Secretary of the Treasury, through the Federal Reserve Bank. Upon termination of the qualification of a depositary the amount of 2 percent depositary bonds purchased by it pursuant to these regulations will be redeemed on not less than 30 days' or more than 60 days' notice by the Secretary of the Treasury.

10. Treatment by Collectors of Internal Revenue of Withheld Taxes Received by Depositaries

The receipt of withheld taxes by depositaries shall be treated as payment of such taxes to collectors of internal revenue upon the filing of the return for the withheld taxes and the presentation therewith to such collectors of properly executed depositary receipts. Collectors of internal revenue will promptly deposit all such depositary receipts as internal revenue collections with the Federal Reserve Bank of the district in which the collector's head office is located. Each such deposit shall be accompanied by an appropriate certificate of deposit which shall not include any other class of remittances.

[1] Amended, see p. 378.

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In any case in which a depositary receipt is received by a Federal Reserve Bank and it is determined that the employer failed to pay to the depositary the amount stated therein, the Federal Reserve Banks may return such item to the collector of internal revenue, under procedure prescribed by the Secretary of the Treasury.

11. FUNCTIONS OF FEDERAL RESERVE BANKS REGARDING WITHHELD TAXES

In accordance with instructions from the Secretary of the Treasury, the Federal Reserve Banks, as fiscal agents of the United States, will perform the following functions:

The Federal Reserve Banks will receive from depositaries remittances of withheld taxes and from collectors of internal revenue depositary receipts for appropriate credit and clearance in the account of the Treasurer of the United States.

The Federal Reserve Banks will maintain such records and perform such other functions as may be necessary for the purpose of (*a*) determining that the required copies of depositary receipts are received from the depositaries in support of all remittances by such depositaries of withheld taxes; and (*b*) properly balancing or matching the depositary receipts deposited by the collectors of internal revenue with the corresponding copies of the depositary receipts received from the depositaries, in order to prove or reconcile credits allowed employers by the collectors of internal revenue with the depositaries' remittances of withheld taxes.

The Federal Reserve Banks will perform such additional functions relating to withheld taxes, including the rendition of reports, as may be required by the Secretary of the Treasury.

The Federal Reserve Banks are authorized to utilize the facilities of their branches in performing the functions required under this circular.

12. AMENDMENT OF REGULATIONS

The Secretary of the Treasury may withdraw or amend at any time or from time to time any or all provisions of this circular.

HENRY MORGENTHAU, Jr.,
Secretary of the Treasury.

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Schedule 1

The following table indicates the amount of 2 percent depositary bonds which a depositary for withheld taxes will be permitted to purchase *with its own funds* under the provisions of the second paragraph of section 8 of Treasury Department Circular No. 714, based upon two factors in combination, viz, the total amount of remittances to the Federal Reserve Banks in relation to the total number of depositary receipts representing such remittances. Both the amount of remittances and number of depositary receipts should be averaged monthly for the period under review.

Total remittances (monthly average)	Total number of depositary receipts (monthly average)													
	1 to 7	8 to 15	16 to 25	26 to 50	51 to 75	76 to 100	101 to 150	151 to 200	201 to 250	251 to 300	301 to 400	401 to 500	501 to 750	751 to 1,000
	2 percent depositary bonds to be purchased with depositary's own funds													
$1 to $5,000	$4,000	$4,000	$4,000	$7,000	$11,000	$13,000	$19,000	$27,000	$35,000	$43,000	$51,000	$65,000	$91,000	$127,000
$5,001 to $10,000	6,000	6,000	6,000	9,000	13,000	15,000	21,000	29,000	37,000	45,000	53,000	67,000	93,000	129,000
$10,001 to $25,000	8,000	8,000	8,000	11,000	15,000	17,000	23,000	31,000	39,000	47,000	55,000	69,000	95,000	131,000
$25,001 to $50,000	11,000	12,000	13,000	16,000	20,000	22,000	28,000	36,000	44,000	52,000	60,000	74,000	100,000	136,000
$50,001 to $100,000	21,000	22,000	23,000	26,000	30,000	32,000	38,000	46,000	54,000	62,000	70,000	84,000	110,000	146,000
$100,001 to $200,000	31,000	32,000	33,000	36,000	40,000	42,000	48,000	56,000	64,000	72,000	80,000	94,000	120,000	156,000
$200,001 to $300,000	41,000	42,000	43,000	46,000	50,000	52,000	58,000	66,000	74,000	82,000	90,000	104,000	130,000	166,000
$300,001 to $500,000	51,000	52,000	53,000	56,000	60,000	62,000	68,000	76,000	84,000	92,000	100,000	114,000	140,000	176,000
$500,001 to $750,000	61,000	62,000	63,000	66,000	70,000	72,000	78,000	86,000	94,000	102,000	110,000	124,000	150,000	186,000
$750,001 to $1,000,000	71,000	72,000	73,000	76,000	80,000	82,000	88,000	96,000	104,000	112,000	120,000	134,000	160,000	196,000
$1,000,001 to $1,250,000	81,000	82,000	83,000	86,000	90,000	92,000	98,000	106,000	114,000	122,000	130,000	144,000	170,000	206,000
$1,250,001 to $1,500,000	91,000	92,000	93,000	96,000	100,000	102,000	108,000	116,000	124,000	132,000	140,000	154,000	180,000	216,000
$1,500,001 to $2,000,000	101,000	102,000	103,000	106,000	110,000	112,000	118,000	126,000	134,000	142,000	150,000	164,000	190,000	226,000
$2,000,001 to $2,500,000	111,000	112,000	113,000	116,000	120,000	122,000	128,000	136,000	144,000	152,000	160,000	174,000	200,000	236,000
$2,500,001 to $3,000,000	121,000	122,000	123,000	126,000	130,000	132,000	138,000	146,000	154,000	162,000	170,000	184,000	210,000	246,000
$3,000,001 to $3,500,000	131,000	132,000	133,000	136,000	140,000	142,000	148,000	156,000	164,000	172,000	180,000	194,000	220,000	256,000
$3,500,001 to $4,000,000	141,000	142,000	143,000	146,000	150,000	152,000	158,000	166,000	174,000	182,000	190,000	204,000	230,000	266,000
$4,000,001 to $5,000,000	161,000	162,000	163,000	166,000	170,000	172,000	178,000	186,000	194,000	202,000	210,000	224,000	250,000	286,000

NOTE.—For monthly remittances in excess of $5,000,000 per month, allotments of 2 percent depositary bonds will be made at the rate of $10,000 for each $500,000 of remittances or fraction thereof. For depositary receipts issued in excess of 1,000 per month, allotments of 2 percent depositary bonds will be made at the rate of $2,000 for each 15 receipts or fraction thereof.

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Schedule 2

The following table indicates the amount of the balance which the Treasury will place with a depositary for withheld taxes, to be invested in 2 percent depositary bonds, under the provisions of the third paragraph of section 8 of Treasury Department Circular No. 714, based upon two factors in combination, viz, the total amount of remittances to the Federal Reserve Banks in relation to the total number of depositary receipts representing such remittances. Both the amount of remittances and number of depositary receipts should be averaged monthly for the period under review.

Total remittances (monthly average)	Total number of depositary receipts (monthly average)													
	1 to 7	8 to 15	16 to 25	26 to 50	51 to 75	76 to 100	101 to 150	151 to 200	201 to 250	251 to 300	301 to 400	401 to 500	501 to 750	751 to 1,000
	Treasury balances (to be invested in 2 percent depositary bonds)													
$1 to $5,000	$2,000	$2,000	$2,000	$3,500	$5,500	$6,500	$9,500	$13,500	$17,500	$21,500	$25,500	$32,500	$45,500	$63,500
$5,001 to $10,000	3,000	3,000	3,000	4,500	6,500	7,500	10,500	14,500	18,500	22,500	26,500	33,500	46,500	64,500
$10,001 to $25,000	4,000	4,000	4,000	5,500	7,500	8,500	11,500	15,500	19,500	23,500	27,500	34,500	47,500	65,500
$25,001 to $50,000	5,500	6,000	6,500	8,000	10,000	11,000	14,000	18,000	22,000	26,000	30,000	37,000	50,000	68,000
$50,001 to $100,000	10,500	11,000	11,500	13,000	15,000	16,000	19,000	23,000	27,000	31,000	35,000	42,000	55,000	73,000
$100,001 to $200,000	15,500	16,000	16,500	18,000	20,000	21,000	24,000	28,000	32,000	36,000	40,000	47,000	60,000	78,000
$200,001 to $300,000	20,500	21,000	21,500	23,000	25,000	26,000	29,000	33,000	37,000	41,000	45,000	52,000	65,000	83,000
$300,001 to $500,000	25,500	26,000	26,500	28,000	30,000	31,000	34,000	38,000	42,000	46,000	50,000	57,000	70,000	88,000
$500,001 to $750,000	30,500	31,000	31,500	33,000	35,000	36,000	39,000	43,000	47,000	51,000	55,000	62,000	75,000	93,000
$750,001 to $1,000,000	35,500	36,000	36,500	38,000	40,000	41,000	44,000	48,000	52,000	56,000	60,000	67,000	80,000	98,000
$1,000,001 to $1,250,000	40,500	41,000	41,500	43,000	45,000	46,000	49,000	53,000	57,000	61,000	65,000	72,000	85,000	103,000
$1,250,001 to $1,500,000	45,500	46,000	46,500	48,000	50,000	51,000	54,000	58,000	62,000	66,000	70,000	77,000	90,000	108,000
$1,500,001 to $2,000,000	50,500	51,000	51,500	53,000	55,000	56,000	59,000	63,000	67,000	71,000	75,000	82,000	95,000	113,000
$2,000,001 to $2,500,000	55,500	56,000	56,500	58,000	60,000	61,000	64,000	68,000	72,000	76,000	80,000	87,000	100,000	118,000
$2,500,001 to $3,000,000	60,500	61,000	61,500	63,000	65,000	66,000	69,000	73,000	77,000	81,000	85,000	92,000	105,000	123,000
$3,000,001 to $3,500,000	65,500	66,000	66,500	68,000	70,000	71,000	74,000	78,000	82,000	86,000	90,000	97,000	110,000	128,000
$3,500,001 to $4,000,000	70,500	71,000	71,500	73,000	75,000	76,000	79,000	83,000	87,000	91,000	95,000	102,000	115,000	133,000
$4,000,001 to $5,000,000	80,500	81,000	81,500	83,000	85,000	86,000	89,000	93,000	97,000	101,000	105,000	112,000	125,000	143,000

NOTE.—For monthly remittances in excess of $5,000,000 per month, allotments of Treasury balances invested in 2 percent depositary bonds will be made at the rate of $5,000 for each $500,000 of remittances or fraction thereof. For depositary receipts issued in excess of 1,000 per month, allotments of Treasury balances invested in 2 percent depositary bonds will be made at the rate of $1,000 for each 15 receipts or fraction thereof.

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Exhibit 67

First amendment, July 22, 1943, to Department Circular No. 714, prescribing regulations governing the payment through depositary banks of funds withheld as taxes in accordance with the provisions of the Current Tax Payment Act of 1943

TREASURY DEPARTMENT,
Washington, July 22, 1943.

The first paragraph of section 5 of Treasury Department Circular No. 714, dated June 25, 1943, is hereby amended to read as follows:

"All incorporated insured banks, within the meaning of section 10 of the act of June 11, 1942, referred to in section 3 of this circular and all incorporated uninsured banks and trust companies designated as 'special depositaries of public moneys' under the act of Congress approved September 24, 1917, as amended (Second Liberty Bond Act, as amended),[1] are hereby designated, subject to the provisions of this circular, as depositaries and financial agents of the Government for receiving from employers or other persons, hereinafter referred to as employers, funds withheld as taxes pursuant to the Current Tax Payment Act of 1943; *Provided* That no such bank shall perform any of the acts covered by this designation until it has qualified so to act in the manner herein prescribed."

The first sentence of section 6 of Treasury Department Circular No. 714, dated June 25, 1943, is hereby amended to read as follows:

"Any designated bank which desires to qualify, under the terms of this circular, for receiving from employers funds withheld as taxes pursuant to the Current Tax Payment Act of 1943, should apply for qualification through the Federal Reserve Bank of the district in which it is located."

The fifth paragraph of section 8 of Treasury Department Circular No. 714, dated June 25, 1943, is hereby amended to read as follows:

"In case a bank qualifies as a depositary for withheld taxes on or before July 31, 1943, its initial 2 percent depositary bond allotment or Treasury balance under the method elected by the depositary will be calculated on the basis of the business transacted under this circular by the depositary during the month of August 1943. The same general rule will be applied in the case of banks qualifying during each month after July 1943. For example, in the case of a bank qualifying as a depositary during the month of August 1943, the initial 2 percent depositary bond allotment or Treasury balance will be based upon the business such depositary transacts under this circular during the month of September 1943."

H. MORGENTHAU JR.,
Secretary of the Treasury.

SALARY STABILIZATION AND LIMITATION

Exhibit 68

Portions of the act to amend the Emergency Price Control Act of 1942, to aid in preventing inflation, and for other purposes (Public Law 729, October 2, 1942)

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That in order to aid in the effective prosecution of the war, the President is authorized and directed, on or before November 1, 1942, to issue a general order stabilizing prices, wages, and salaries, affecting the cost of living; and, except as otherwise provided in this Act, such stabilization shall so far as practicable be on the basis of the levels which existed on September 15, 1942. The President may, except as otherwise provided in this Act, thereafter provide for making adjustments with respect to prices, wages, and salaries, to the extent that he finds necessary to aid in the effective prosecution of the war or to correct gross inequities: *Provided,* That no common carrier or other public utility shall make any general increase in its rates or charges which were in effect on September 15, 1942, unless it first gives thirty days notice to the President, or such agency as he may designate, and consents to the timely intervention by such agency before the Federal, State, or municipal authority having jurisdiction to consider such increase.

SEC. 2. The President may, from time to time, promulgate such regulations as may be necessary and proper to carry out any of the provisions of this Act; and

[1] See Treasury Department Circular No. 92 (Revised), dated April 14, 1943, p. 368.

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may exercise any power or authority conferred upon him by this Act through such department, agency, or officer as he shall direct. The President may suspend the provisions of sections 3 (a) and 3 (c), and clause (1) of section 302 (c), of the Emergency Price Control Act of 1942 to the extent that such sections are inconsistent with the provisions of this Act, but he may not under the authority of this Act suspend any other law or part thereof.

* * * * * * *

SEC. 4. No action shall be taken under authority of this Act with respect to wages or salaries (1) which is inconsistent with the provisions of the Fair Labor Standards Act of 1938, as amended, or the National Labor Relations Act, or (2) for the purpose of reducing the wages or salaries for any particular work below the highest wages or salaries paid therefor between January 1, 1942, and September 15, 1942: *Provided,* That the President may, without regard to the limitation contained in clause (2), adjust wages or salaries to the extent that he finds necessary in any case to correct gross inequities and also aid in the effective prosecution of the war.

SEC. 5. (a) No employer shall pay, and no employee shall receive, wages or salaries in contravention of the regulations promulgated by the President under this Act. The President shall also prescribe the extent to which any wage or salary payment made in contravention of such regulations shall be disregarded by the executive departments and other governmental agencies in determining the costs or expenses of any employer for the purposes of any other law or regulation.

(b) Nothing in this Act shall be construed to prevent the reduction by any private employer of the salary of any of his employees which is at the rate of $5,000 or more per annum.

(c) The President shall have power by regulation to limit or prohibit the payment of double time except when, because of emergency conditions, an employee is required to work for seven consecutive days in any regularly scheduled work week.

SEC. 6. The provisions of this Act (except sections 8 and 9), and all regulations thereunder, shall terminate on June 30, 1944, or on such earlier date as the Congress by concurrent resolution, or the President by proclamation, may prescribe.

SEC. 7. (a) Section 1 (b) of the Emergency Price Control Act of 1942 is hereby amended by striking out "June 30, 1943" and substituting "June 30, 1944."

(b) All provisions (including prohibitions and penalties) of the Emergency Price Control Act of 1942 which are applicable with respect to orders or regulations under such Act shall, insofar as they are not inconsistent with the provisions of this Act, be applicable in the same manner and for the same purposes with respect to regulations or orders issued by the Price Administrator in the exercise of any functions which may be delegated to him under authority of this Act.

(c) Nothing in this Act shall be construed to invalidate any provision of the Emergency Price Control Act of 1942 (except to the extent that such provisions are suspended under authority of section 2), or to invalidate any regulation, price schedule, or order issued or effective under such Act.

* * * * * * *

SEC. 10. When used in this Act, the terms "wages" and "salaries" shall include additional compensation, on an annual or other basis, paid to employees by their employers for personal services (excluding insurance and pension benefits in a reasonable amount to be determined by the President); but for the purpose of determining wages or salaries for any period prior to September 16, 1942, such additional compensation shall be taken into account only in cases where it has been customarily paid by employers to their employees.

SEC. 11. Any individual, corporation, partnership, or association willfully violating any provision of this Act, or of any regulation promulgated thereunder, shall, upon conviction thereof, be subject to a fine of not more than $1,000, or to imprisonment for not more than one year, or to both such fine and imprisonment.

Exhibit 69

Portions of Executive Order No. 9250, October 3, 1942, providing for the stabilizing of the national economy

By virtue of the authority vested in me by the Constitution and the statutes, and particularly by the Act of October 2, 1942, entitled "An Act to Amend the Emergency Price Control Act of 1942, to Aid in Preventing Inflation, and for Other Purposes," as President of the United States and Commander in Chief of

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the Army and Navy, and in order to control so far as possible the inflationary tendencies and the vast dislocations attendant thereon which threaten our military effort and our domestic economic structure, and for the more effective prosecution of the war, it is hereby ordered as follows:

TITLE I—ESTABLISHMENT OF AN OFFICE OF ECONOMIC STABILIZATION

1. There is established in the Office for Emergency Management of the Executive Office of the President an Office of Economic Stabilization at the head of which shall be an Economic Stabilization Director (hereinafter referred to as the Director).

2. There is established in the Office of Economic Stabilization an Economic Stabilization Board with which the Director shall advise and consult. The Board shall consist of the Secretary of the Treasury, the Secretary of Agriculture, the Secretary of Commerce, the Secretary of Labor, the Chairman of the Board of Governors of the Federal Reserve System, the Director of the Bureau of the Budget, the Price Administrator, the Chairman of the National War Labor Board, and two representatives each of labor, management, and farmers to be appointed by the President. The Director may invite for consultation the head of any other department or agency. The Director shall serve as Chairman of the Board.

3. The Director, with the approval of the President, shall formulate and develop a comprehensive national economic policy relating to the control of civilian purchasing power, prices, rents, wages, salaries, profits, rationing, subsidies, and all related matters—all for the purpose of preventing avoidable increases in the cost of living, cooperating in minimizing the unnecessary migration of labor from one business, industry, or region to another, and facilitating the prosecution of the war. To give effect to this comprehensive national economic policy the Director shall have power to issue directives on policy to the Federal departments and agencies concerned.

4. The guiding policy of the Director and of all departments and agencies of the Government shall be to stabilize the cost of living in accordance with the act of October 2, 1942; and it shall be the duty and responsibility of the Director and of all departments and agencies of the Government to cooperate in the execution of such administrative programs and in the development of such legislative programs as may be necessary to that end. The administration of activities related to the national economic policy shall remain with the departments and agencies now responsible for such activities, but such administration shall conform to the directives on policy issued by the Director.

TITLE II—WAGE AND SALARY STABILIZATION POLICY

1. No increases in wage rates, granted as a result of voluntary agreement, collective bargaining, conciliation, arbitration, or otherwise, and no decreases in wage rates, shall be authorized unless notice of such increases or decreases shall have been filed with the National War Labor Board, and unless the National War Labor Board has approved such increases or decreases.

2. The National War Labor Board shall not approve any increase in the wage rates prevailing on September 15, 1942, unless such increase is necessary to correct maladjustments or inequalities, to eliminate substandards of living, to correct gross inequities, or to aid in the effective prosecution of the war.

Provided, however, that where the National War Labor Board or the Price Administrator shall have reason to believe that a proposed wage increase will require a change in the price ceiling of the commodity or service involved, such proposed increase, if approved by the National War Labor Board, shall become effective only if also approved by the Director.

3. The National War Labor Board shall not approve a decrease in the wages for any particular work below the highest wages paid therefor between January 1, 1942, and September 15, 1942, unless to correct gross inequities and to aid in the effective prosecution of the war.

4. The National War Labor Board shall, by general regulation, make such exemptions from the provisions of this title in the case of small total wage increases or decreases as it deems necessary for the effective administration of this order.

5. No increases in salaries now in excess of $5,000 per year (except in instances in which an individual has been assigned to more difficult or responsible work), shall be granted until otherwise determined by the Director.

6. No decrease shall be made in the salary for any particular work below the highest salary paid therefor between January 1, 1942, and September 15, 1942, unless to correct gross inequities and to aid in the effective prosecution of the war.

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7. In order to correct gross inequities and to provide for greater equality in contributing to the war effort, the Director is authorized to take the necessary action, and to issue the appropriate regulations, so that, insofar as practicable, no salary shall be authorized under Title III, section 4 to the extent that it exceeds $25,000 after the payment of taxes allocable to the sum in excess of $25,000: *Provided, however,* That such regulations shall make due allowance for the payment of life insurance premiums on policies heretofore issued, and required payments on fixed obligations heretofore incurred, and shall make provision to prevent undue hardship.

8. The policy of the Federal Government, as established in Executive Order No. 9017 of January 12, 1942, to encourage free collective bargaining between employers and employees is reaffirmed and continued.

9. Insofar as the provisions of clause (1) of section 302 (c) of the Emergency Price Control Act of 1942 are inconsistent with this order, they are hereby suspended.

TITLE III—ADMINISTRATION OF WAGE AND SALARY POLICY

1. Except as modified by this order, the National War Labor Board shall continue to perform the powers, functions, and duties conferred upon it by Executive Order No. 9017, and the functions of said Board are hereby extended to cover all industries and all employees. The National War Labor Board shall continue to follow the procedures specified in said Executive order.

2. The National War Labor Board shall constitute the agency of the Federal Government authorized to carry out the wage policies stated in this order, or the directives on policy issued by the Director under this order. The National War Labor Board is further authorized to issue such rules and regulations as may be necessary for the speedy determination of the propriety of any wage increases or decreases in accordance with this order, and to avail itself of the services and facilities of such State and Federal departments and agencies as, in the discretion of the National War Labor Board, may be of assistance to the Board.

3. No provision with respect to wages contained in any labor agreement between employers and employees (including the Shipbuilding Stabilization Agreements as amended on May 16, 1942, and the Wage Stabilization Agreement of the Building Construction Industry arrived at May 22, 1942) which is inconsistent with the policy herein enunciated or hereafter formulated by the Director shall be enforced except with the approval of the National War Labor Board within the provisions of this order. The National War Labor Board shall permit the Shipbuilding Stabilization Committee and the Wage Adjustment Board for the Building Construction Industry, both of which are provided for in the foregoing agreements, to continue to perform their functions therein set forth, except insofar as any of them is inconsistent with the terms of this order.

4. In order to effectuate the purposes and provisions of this order and the act of October 2, 1942, any wage or salary payment made in contravention thereof shall be disregarded by the Executive Departments and other governmental agencies in determining the costs or expenses of any employer for the purpose of any law or regulation, including the Emergency Price Control Act of 1942 or any maximum price regulation thereof, or for the purpose of calculating deductions under the revenue laws of the United States or for the purpose of determining costs or expenses under any contract made by or on behalf of the Government of the United States.

* * * * * * *

TITLE VI—GENERAL PROVISIONS

1. Nothing in this order shall be construed as affecting the present operation of the Fair Labor Standards Act, the National Labor Relations Act, the Walsh-Healey Act, the Davis-Bacon Act, or the adjustment procedure of the Railway Labor Act.

2. Salaries and wages under this order shall include all forms of direct or indirect remuneration to an employee or officer for work or personal services performed for an employer or corporation, including but not limited to, bonuses, additional compensation, gifts, commissions, fees, and any other remuneration in any form or medium whatsoever (excluding insurance and pension benefits in a reasonable amount as determined by the Director); but for the purpose of determining wages or salaries for any period prior to September 16, 1942, such additional compensation shall be taken into account only in cases where it has been customarily paid by employers to their employees. "Salaries" as used

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in this order means remuneration for personal services regularly paid on a weekly, monthly or annual basis.

3. The Director shall, so far as possible, utilize the information, data, and staff services of other Federal departments and agencies which have activities or functions related to national economic policy. All such Federal departments and agencies shall supply available information, data, and services required by the Director in discharging his responsibilities.

4. The Director shall be the agency to receive notice of any increase in the rates or charges of common carriers or other public utilities as provided in the aforesaid act of October 2, 1942.

5. The Director may perform the functions and duties, and exercise the powers, authority, and discretion conferred upon him by this order through such officials or agencies, and in such manner, as he may determine. The decision of the Director as to such delegation and the manner of exercise thereof shall be final.

6. The Director, if he deems it necessary, may direct that any policy formulated under this order shall be enforced by any other department or agency under any other power or authority which may be provided by any of the laws of the United States.

7. The Director, who shall be appointed by the President, shall receive such compensation as the President shall provide, and within the limits of funds which may be made available, may employ necessary personnel and make provision for supplies, facilities and services necessary to discharge his responsibilities.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *October 3, 1942.*

Exhibit 70

Portions of Executive Order No. 9328, April 8, 1943, the so-called Hold-the-Line order, further limiting the authority to approve salary adjustments

By virtue of the authority vested in me by the Constitution and the statutes, and particularly by the First War Powers Act, 1941, and the act of October 2, 1942, entitled "An Act to Amend the Emergency Price Control Act of 1942, to Aid in Preventing Inflation, and for Other Purposes," as President of the United States and Commander in Chief of the Army and Navy, and in order to safeguard the stabilization of prices, wages and salaries, affecting the cost of living on the basis of levels existing on September 15, 1942, as authorized and directed by said act of Congress of October 2, 1942, and Executive Order No. 9250 of October 3, 1942, and to prevent increases in wages, salaries, prices and profits, which, however justifiable if viewed apart from their effect upon the economy, tend to undermine the basis of stabilization, and to provide such regulations with respect to the control of price, wage and salary increases as are necessary to maintain stabilization, it is hereby ordered as follows:

* * * * * * *

2. The National War Labor Board, the Commissioner of Internal Revenue and other agencies exercising authority conferred by Executive Order No. 9250 or Executive Order No. 9299 and the regulations issued pursuant thereto over wage or salary increases are directed to authorize no further increase in wages or salaries except such as are clearly necessary to correct substandards of living, provided that nothing herein shall be construed to prevent such agencies from making such wage or salary readjustments as may be deemed appropriate and may not have heretofore been made to compensate, in accordance with the Little Steel Formula as heretofore defined by the National War Labor Board, for the rise in the cost of living between January 1, 1941, and May 1, 1942. Nor shall anything herein be construed to prevent such agencies, subject to the general policies and directives of the Economic Stabilization Director, from authorizing reasonable adjustments of wages and salaries in case of promotions, reclassifications, merit increases, incentive wages or the like, provided that such adjustments do not increase the level of production costs appreciably or furnish the basis either to increase prices or to resist otherwise justifiable reductions in prices.

3. The Chairman of the War Manpower Commission is authorized to forbid the employment by any employer of any new employee or the acceptance of employment by a new employee except as authorized in accordance with regulations which may be issued by the Chairman of the War Manpower Commission, with

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the approval of the Economic Stabilization Director, for the purpose of preventing such employment at a wage or salary higher than that received by such new employee in his last employment unless the change of employment would aid in the effective prosecution of the war.

4. The attention of all agencies of the Federal Government, and of all State and municipal authorities, concerned with the rates of common carriers or other public utilities, is directed to the stabilization program of which this order is a part so that rate increases will be disapproved and rate reductions effected, consistently with the act of October 2, 1942, and other applicable Federal, State or municipal law, in order to keep down the cost of living and effectuate the purposes of the stabilization program.

5. To provide for the consistent administration of this order and Executive Order No. 9250, and other orders and regulations of similar import and for the effectuation of the purposes of the act of October 2, 1942, the Economic Stabilization Director is authorized to exercise all powers and duties conferred upon the President by that act, and the Economic Stabilization Director is authorized and directed to take such action and to issue such directives under the authority of that act as he deems necessary to stabilize the national economy, to maintain and increase production and to aid in the effective prosecution of the war. Except insofar as they are inconsistent with this order or except insofar as the Director shall otherwise direct, powers and duties conferred upon the President by the said act and heretofore devolved upon agencies or persons other than the Director shall continue to be exercised and performed by such agencies and persons.

6. Except insofar as they are inconsistent with this order; Executive Order No. 9250 and the regulations issued pursuant thereto shall remain in full force and effect.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *April 8, 1943.*

Exhibit 71

Statement of the Commissioner of Internal Revenue, July 1, 1943, as to the methods under which payments of additional compensation to salaried personnel may be determined

The Commissioner of Internal Revenue, Guy T. Helvering, today issued a statement for the guidance of employers who find it necessary to pay their salaried employees additional compensation to maintain productive efficiency on account of the extension of the normal work week.

The Commissioner's jurisdiction extends only to salaried employees receiving more than $5,000 a year and to executive, administrative and professional employees receiving less than $5,000 a year who are not represented by a recognized labor organization. In order to come within the Commissioner's jurisdiction, an executive employee must receive more than $30 a week, and an administrative or professional employee must receive more than $200 a month.

Owing to the extension of the work week, employers are required under the provisions of the Fair Labor Standards Act to pay their nonexempt wage earners and others of their salaried personnel coming within the jurisdiction of the Fair Labor Standards Act additional compensation at time and a half for all hours worked in excess of 40 in any one calendar week. Employers are not legally required to compensate the supervisory personnel on the same basis as the wage earners. However, it is customary for employers to maintain reasonable pay differentials between the wage earners and their supervisors and between the several levels of supervision. Payment for overtime to the wage earners without any additional compensation to the salaried personnel in many cases results in the wage earners receiving more total compensation for a given period than their immediate supervisors and in some cases more than the second and third levels of supervision.

In order to clarify the position which will be taken in this matter, the Commissioner has issued instructions to the regional offices of the Salary Stabilization Unit as to the methods under which payments of additional compensation to salaried personnel may be determined. Under these instructions, the maximum amounts which will be allowed are such amounts as are necessary to keep the minimum differentials between the interrelated job classifications required for the maintenance of productive efficiency. The Commissioner stated that no set rule may be established for determining such amounts, because of the varia-

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tions of differentials between wage and salary levels within plants and industries. However, the amounts allowed will be proportionately less in the higher levels. Approval is required in all cases except where the employer had a regularly established overtime payment plan in effect on October 3, 1942, and neither the plan, the rates, nor the hours have been changed. The maximum limitations within which payments may be made will be determined on the following basis:

Additional compensation may be paid at the same overtime rates to all employees in a particular plant for the actual scheduled hours worked in excess of the regular 40-hour work week as is paid to the highest hourly paid employee, whose rate is subject to the Fair Labor Standards Act, if their compensation for the 40-hour work week is equal to or less than that of such highest hourly paid employee.

In the application of this principle, the highest participating pay level in direct line of supervision and the minimum additional compensation necessary for that level shall be determined to the satisfaction of the Commissioner. The amount allowable to the highest rated hourly employee will then be progressively reduced for the several intervening pay levels in such manner that each succeeding higher level receives a proportionately lesser amount, until the minimum amount allowable for the highest participating pay level as previously determined is reached.

This plan may be followed with respect to all salaried positions between the highest hourly rated employee receiving compensation at overtime rates and the highest salaried position for which overtime compensation is required.

The level of supervision at which the minimum additional compensation is to be allowed will depend upon the circumstances prevailing in each particular case. Therefore, in order to expedite consideration of their problem, employers, in submitting applications for approval to make overtime adjustments, should include complete information, covering particularly the following: The hours of the extended work week; the hours of the previous work week; the rates of pay of the wage and salaried employees under the jurisdiction of the National War Labor Board; the amounts and rates of overtime presently being paid to those groups as well as to the groups under the jurisdiction of the Commissioner; the number of employees for whom payments are proposed, together with their rates of pay; a description of the several types or levels of supervision; a sufficiently clear description of the job classifications and positions of those required to work the same or more hours than the wage earners under the extended work week and for whom overtime compensation is required; the top level of supervision at which the minimum additional compensation is required; the amount of additional compensation deemed necessary in the top level of supervision so determined; and the basis upon which both the top level of supervision and the amount of additional compensation to be paid that level have been determined.

ORGANIZATION AND PROCEDURE

Exhibit 72

Orders relating to organization and procedure in the Treasury Department

TREASURY DEPARTMENT ORDER NO. 46, AUGUST 7, 1942

By virtue of and pursuant to the authority vested in me, I hereby direct that all authority, duties, and functions relating to foreign funds control which heretofore have been delegated or assigned to any other officer or office of the Department shall continue to be exercised and performed by such officer or office subject to the general supervision of Randolph E. Paul as Acting Secretary of the Treasury.

H. MORGENTHAU, Jr.,
Secretary of the Treasury.

TREASURY DEPARTMENT ORDER NO. 47, SEPTEMBER 22, 1942

By virtue of and pursuant to the authority vested in me by Executive Order No. 8389, as amended, by Executive Order No. 9095, as amended, by Section 161 of the Revised Statutes (U. S. C. title 5, sec. 22), and as Secretary of the Treasury, I hereby order that:

1. There is hereby established and created in the Treasury Department the Foreign Funds Control which shall have separate administrative status, subject to the usual departmental controls, and at the head of which shall be a Director of

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Foreign Funds Control. John W. Pehle, Assistant to the Secretary, is designated as Director of Foreign Funds Control.

2. The Director of Foreign Funds Control shall exercise and perform all authority, duties and functions which I am authorized or required to exercise or perform under sections 3 and 5 (b) of the Trading with the Enemy Act, as amended, and any proclamations, orders, regulations or rulings that have been or may be issued thereunder.

3. The Director of Foreign Funds Control shall exercise and perform such authority, duties and functions subject to the general supervision of Randolph Paul as Acting Secretary of the Treasury.

H. MORGENTHAU, Jr.,
Secretary of the Treasury.

TREASURY DEPARTMENT ORDER NO. 48, MARCH 2, 1943

There is hereby created in the Treasury Department a United States Treasury War Finance Committee under the direction of an Assistant to the Secretary, who will serve as Chairman of the Committee and will function with the operating title of National Director of Sales. Other members of the committee shall consist of the Assistant to the Secretary in charge of the War Savings Staff, the Assistant to the Secretary in charge of the Victory Fund Committees, and such other member or members as may be designated by the Secretary of the Treasury. The committee will act in an advisory capacity to the National Director in the formulation and execution of plans for the sale of Government securities.

The National Director shall formulate plans for the sale of Government securities and shall supervise the execution of such sales programs as may be determined upon with the approval of the Secretary of the Treasury.

The National Director is authorized to deal directly with the Federal Reserve Banks as fiscal agents of the United States in all matters relating to the promotion of sales of Government securities, and in that connection he shall have full authority to utilize all facilities of the War Savings Staff and Victory Fund Committees, coordinating their respective activities as he may direct.

The National Director will report to the Secretary through the Under Secretary.

H. MORGENTHAU, Jr.,
Secretary of the Treasury.

TREASURY DEPARTMENT ORDER NO. 49, MAY 27, 1943

Effective from and after this date, the Procurement Division is assigned to the supervision of Mr. John L. Sullivan, Assistant Secretary of the Treasury.

Treasury Department Order No. 44, dated February 1, 1942, is modified accordingly.

H. MORGENTHAU, Jr.,
Secretary of the Treasury.

TREASURY DEPARTMENT ORDER NO. 50, JUNE 25, 1943

The War Savings Staff, created by Department Order No. 39, dated March 19, 1941, as amended, will hereafter be known as the War Finance Division of the Office of the Secretary. The War Finance Division will have charge of promoting the sale of securities offered to the public by the Treasury Department. It will perform its functions under the supervision of an Assistant to the Secretary, who will be known as National Director.

HENRY MORGENTHAU, Jr.,
Secretary of the Treasury.

Exhibit 73

Executive Order No. 9302, February 9, 1943, transferring to the Commissioner of Internal Revenue certain functions relating to taxes and penalties imposed for violations of the National Prohibition Act

By virtue of the authority vested in me by Title I of the First War Powers Act, 1941, approved December 18, 1941 (55 Stat. 838), and as President of the United States, it is ordered as follows:

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1. The functions, duties, and powers of the Attorney General and of the Department of Justice with respect to (a) the determination of Internal Revenue taxes and penalties (exclusive of the determination of liability guaranteed by permit bonds) arising out of violations of the National Prohibition Act occurring prior to the repeal of the Eighteenth Amendment to the Constitution, and (b) the compromise, prior to reference to the Attorney General for suit, of liability for such taxes and penalties, are hereby transferred to the Commissioner of Internal Revenue, Department of the Treasury: *Provided*, That any compromise of such liability shall be effected in accordance with the provisions of section 3761 of the Internal Revenue Code.

2. All files and records of the Department of Justice used primarily in the administration of the functions transferred by this order are hereby made available to the Commissioner of Internal Revenue for use in the administration of such functions.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *February 9, 1943.*

ADDRESSES AND STATEMENTS ON WAR FINANCING, INFLATION, PUBLIC DEBT, ETC.

Exhibit 74

Message from Secretary Morgenthau to the American Bankers Association, September 1, 1942, on war financing

We have come through a year of stress and strain since I last had the privilege of addressing the American Bankers Association on the subject of our financial and economic problems.

When I spoke to you in Chicago last October, coming events were already casting their shadow. At that time, and in the light of our financial experiences in the former World War, I reviewed the perils of inflation facing us, and I asked you to constitute yourselves sentinels of the Nation, in your own banks and your own communities, to guard against any private encroachment upon the resources of materials or of credit needed for the national effort.

If this were not a moment of such deadly seriousness for our Nation and for all free men, I might be tempted to think that we had not done too badly in our war financing in the year that has passed. By "we" I mean, of course, the American people, but also, in a special sense, the Treasury, the Federal Reserve System and the bankers, working together in a new partnership which we have entered into for the duration of the war—indeed, I hope for a much longer time, for our partnership must look beyond victory to the peace we shall have to win together.

In the fiscal year that ended June 30, $36 billion poured into the Treasury in tax revenues and in all forms of borrowing. There is no parallel in our history for this money-raising achievement, nor has the Government ever been able to draw upon such a wide variety of funds. We have not only raised $13 billion from taxes, but we have also borrowed a net amount of $3 billion through the sale of tax anticipation notes. We have not only resorted to the conventional forms of borrowing from the banks and regular investors, but we have also enlisted additional institutional funds by issuing new types of securities, and we have sold war savings bonds to some 20 million Americans to a total of $6 billion in the fiscal year just ended.

Without wishing to seem complacent—for complacency is as dangerous as a dozen of the enemy's mechanized divisions—I think it only right to call attention to these unprecedented borrowings, so smoothly carried out that the country as a whole has hardly become aware of their magnitude. We are surrounded at this moment by economic as well as military dangers, yet it is cause for some satisfaction that inflation has been more effectively controlled to date in this war, in the face of a production and expenditure program of immensely greater dimensions, than in the corresponding stage of our participation in the World War of 25 years ago.

I have just seen an estimate by the Department of Commerce showing that the people's savings in the first two quarters of 1942 were more than twice as great as in 1941, due partly to price ceilings, credit restrictions and to the growing shortages of many kinds of consumers' goods, but also in very large measure to the people's awareness of the need for saving. The estimate shows individual savings at an annual rate of almost $25 billion in the second quarter of this year, as compared with an annual rate of approximately $10 billion for the same period last year.

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These results would not have been possible without the voluntary cooperation of millions of Americans representing every State and section, every occupation, every national background, race and creed.

In this voluntary program the bankers of America have stood in the forefront. They have given the equivalent of 25,000 full-time employees to the sale and promotion of war bonds, and 85 percent of the sales made have been through the banks. They have been fighting in the front lines of our battle on the home front by carrying out the restrictions of Regulation W on consumer credit, by keeping a careful watch on all applications for nonessential loans, and by helping to freeze foreign funds which the enemy might have used to spy upon our war effort, to sabotage our production, or to demoralize our people. They have given their time and energy to this effort without thought of any compensation except the knowledge that they were helping their country in its time of greatest need.

I have said before on repeated occasions that we at the Treasury are deeply grateful to the Federal Reserve System and to every individual banker who has helped the program of war financing, and I should like to express my thanks once more for a splendid exhibition of cooperation and patriotism.

Yet we cannot afford to congratulate ourselves at this critical stage of the war. Whatever was accomplished in the past fiscal year is of little relevance when we remember the size of the financial as well as the military job ahead of us.

It would be carrying coals to Newcastle to explain to the bankers of America the magnitude of the financial problem confronting our Government this year in meeting the many and urgent demands of the war. You know that we shall have to borrow more than $50 billion in one way or another in the present fiscal year, even if Congress enacts a tax bill to yield $8.7 billion of additional revenue, as we at the Treasury have urged. Without any elaboration from me you can appreciate what the borrowing of $50 billion will entail.

The problem itself involves more than simply raising the money to pay the bills. To begin with, we have to manage our fiscal affairs so that the financial burden is distributed equitably. In achieving this, we must avoid any maneuver that threatens to hinder the maximum efficiency of our war production.

Above all, we must find the means to devote more than half of our national income this year solely to war purposes, yet without slackening the determination of the American people to win this war and win it outright. Our taxes and our borrowings must not handcuff the hands already willing to work for victory.

You would, I suppose, like me to give you some guidance as to the methods by which the Treasury proposes to raise these truly colossal sums. I wish that I could give you that guidance, but frankly, none of us can see more than a few months ahead through the murk of this most unpredictable of all wars. Besides, the decision in all cases does not rest with the Treasury alone.

I would not venture to guess, for example, what the new tax bill will yield, although I know that the American people are ready for a courageous tax program. In fact, they are ready to bear even greater burdens than the Treasury's minimum proposals of $8.7 billion in new revenue would impose upon them. I would not hazard a guess as to the future of rationing, although I feel deeply that we shall have to extend the scope and the severity of rationing before this year has ended.

I can, however, offer what I may call broad hints, based upon the principles which we have so far followed in our wartime financing and upon the dimensions of the task in which we are now engaged.

You may take it for granted that we shall continue to seek funds both from current and accumulated savings. In the field of taxes, we shall follow the enactment of a new revenue bill with renewed efforts to make the collection of taxes more effective. To this end we must intensify the sale of tax anticipation notes, which afford millions of taxpayers the easiest possible method of saving in advance for the taxes that will be due next spring.

In borrowing from the people directly, we intend to make every effort to reach and surpass our announced goal of $12 billion from the sale of war bonds and stamps in the fiscal year that ends June 30, 1943.

As I write these lines, the sales figures for July, amounting to more than $900 million in a month, give us real ground for encouragement. So also does the fact that the sales of Series E bonds in the smaller denominations have shown a striking increase in recent months. Most encouraging of all is the increase in the number of workers purchasing war savings bonds through payroll deductions.

There are now more than 110 thousand firms, employing over 25 million workers, that have a payroll savings plan in operation. In the month of July alone more than 18 million workers subscribed $200 million out of their pay for war bond purchases, and payroll deductions are increasing at the rate of about $40 million per month.

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We confidently expect that by the end of 1942 well over 20 million employees will be regularly investing at a rate approaching 10 percent of their gross earnings through payroll savings. This will mean that from $350 million to $400 million a month would be deducted voluntarily from payrolls next year to buy war bonds. During 1943, on this basis, nearly $5 billion worth of war bonds would be purchased in this way—all out of current wages and salaries, and all representing what we can regard as noninflationary borrowing at its best.

Even if the war bond sales realize all my expectations, we shall have to borrow increasingly and in utterly unprecedented amounts from other sources.

The members of the American Bankers Association are acutely aware of the hazards we run if we rely more than is necessary on the sale of Government securities to commercial banks. I often think, however, that the distinction between sales of Government securities to commercial banks and sales to others is overemphasized. What we are really trying to do is to sell as large a proportion of our securities as possible in such a way that their proceeds, when spent by the Government, will not constitute a net addition to the total spending of the economy.

I think it worth remembering that sales of Government securities to commercial banks do not add to the total spending of the economy if they are offset by decreases in the loans or other investments in banks, or if they are offset by the accumulation of balances in the banks which are genuine savings of depositors.

It is necessary, therefore, that we at the Treasury should go far deeper than the superficial distinction between sales of Government securities to banks and those to others and that we should look closely at the real sources of the funds. The most desirable source of funds, is, of course, money borrowed from the current savings of the country. A substantial proportion of the proceeds of all classes of Government securities sold—including some of those sold to commercial banks—comes directly or indirectly from this source.

Yet inflation cannot be curbed merely by the passage of a courageous tax bill or by the successful borrowing of vast sums from current savings, or by a combination of bold and intelligent taxing and borrowing. We undoubtedly shall find it necessary to adopt more drastic control of consumer spending, in one form or another, than anything yet applied. I should not like to predict at this stage, for prediction is more than ever dangerous, but I do want you to be prepared for new controls and new sacrifices as the war moves into a new and more intense phase.

We have heard so much talk lately about the function of finance in winning this war and in checking inflation that I should like to clear the air on one point. Financial policies do not of themselves win wars. Wars are decided by battles. But the necessity for winning battles does not diminish the importance of raising the money to fight them. Nor does it lessen our responsibility for raising the money in a way that husbands the strength of the civilian economy instead of wasting it. For though wars may not be won by financial triumphs, they can be lost by financial blunders.

The successful financing of the war is, therefore, vital for victory. It is our job, and we must do it. It is our problem, and it is up to us to solve it.

As I told the Senate Finance Committee in July, I am convinced that the American people are ready for sacrifices greater than we imagine. I know also that American bankers as individuals and as a group are ready to put forth any effort that may be needed. Our war effort is calling upon the skill and the resources and the leadership of the American banker as never before. It demands of him a leadership and a sacrifice above and beyond his own private interests. At the same time, its success is essential to his survival.

In another crisis that brought anxious moments and dark days to us a quarter of a century ago, Woodrow Wilson said "America is not anything if it consists of each of us. It is something only if it consists of all of us; and it can consist of all of us only as our spirits are banded together in a common enterprise: the enterprise of liberty and justice and right." These were the words of a great American at another time when the fibre of our Nation was being tested. They are a watchword for every American today.

Exhibit 75

Statement of Secretary Morgenthau contained in the press release of September 5, 1942, relating to taxes and war financing

In the coming week the Treasury is going to have to borrow another $3,000,000,000 to help pay for the war. This is to be done by public offering of interest-bearing bonds for subscription through the Federal Reserve Banks.

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I have no doubt that institutional investors, commercial banks and other large purchasers will respond in the fine way in which they have responded to all offerings of Government securities since the war began.

Yet too much reliance on this conventional kind of borrowing has its dangers, and I feel that the American people should become more aware of its dangers. Specifically, we cannot hope to finance this war in an orderly manner and without a further serious rise in the cost of living unless our regular borrowing is supplemented by bold and resolute action in many directions, among them in the fields of taxes and savings.

My problem is not simply one of getting more money. It is a problem of enlisting the taxes and the savings of all the American people themselves. It is a problem of attacking unnecessary spending, which is now reaching boom proportions and which is threatening to drive the cost of living to heights which will affect every American home.

We have been at war for almost a year, yet we as a people are still spending for things we want and can get at a rate far higher than a war economy can afford. This cannot go on. Our war on the home front cannot be won unless this evil of unnecessary spending is checked and brought under control. We must realize that we are fighting a war for our very survival as a nation and that we cannot expect comforts as usual or spending as usual.

In every community in the land young men are going out to battle fronts all over the world to fight for us. It seems a small thing to do for them that we should give up temporarily some of the comforts we possess, the comforts that they are denied.

The spending that is going on today is a national danger and its continuance will have disastrous results for every American. We must attack unnecessary spending with stern remedies, through the fiscal field as well as through other devices, and there is no more time for delay.

With the double purpose of bringing billions of dollars into the Treasury and of discouraging unnecessary spending, the Treasury submitted to the Senate Finance Committee last Thursday a new form of tax to be known as the spendings tax. It is aimed at everything above what we need and what we save. It is a tax in two parts—the first a flat levy of 10 percent on spendings of everyone above a bare subsistence income, and the second a graduated tax on higher spendings which becomes frankly a penalty tax on those who spend thousands of dollars unnecessarily in these times when spending actually impedes the war effort. The first part, the flat 10 percent, will be regarded as a debt to the taxpayer and will be repaid in full after the war.

From the first part, the refundable 10 percent, some $4,500,000,000 will flow into the Treasury; from the second, about $1,200,000,000, in revenue would be yielded each year. But this does not tell the whole story, for there is no way of estimating the amount of saving which will be encouraged by such a tax. It is the first tax measure I have seen which actually gives an incentive to thrift, to the purchase of war bonds and the repayment of debt, to the payment of life insurance premiums and many other forms of true savings. All such expenditures will be deductible. The more you save, the smaller the tax you have to pay.

This is the principle of the spendings tax. To me it is as simple as grade school arithmetic. Yet I hear it described as "complicated" simply because there are many technical details in its structure. In its actual impact on the taxpayer, it will be severe, because severe measures are needed, but it will require no elaborate bookkeeping or computation. For the great majority of our taxpayers it will mean the filling out of one very simple form to be attached to the regular income tax form—and this, I may point out, has already been vastly simplified for them.

Every new tax seems "complicated" when it first appears. The income tax which we now take for granted, was regarded as complicated, unworkable and unsound when it was introduced a quarter of a century ago. Surely those who complain that the tax is "complicated" mean rather that it is new and unfamiliar. Its principle is simple, its logic is unassailable, and its operations can be handled through the normal income tax machinery.

The problem of financing the war without inflation is too grave and too pressing to let any major tax proposal be disregarded without the most serious thought and study. Accordingly, I regard it as a slur upon the Senate Finance Committee to suggest that the Committee is about to reject the spendings tax after only perfunctory consideration. Such a suggestion is not true. The Senate Finance Committee is as much aware of the gravity of this hour as we at the Treasury or anyone in a position of authority, and its members realize as I do, the need for additional fiscal measures to prevent unbearable increases in the cost of living. Senator George, the distinguished Chariman of the Committee, has discussed it in detail with me,

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and I know that he and his fellow members will consider it with all the earnestness and seriousness which a proposal of this magnitude deserves.

Moreover, I have been concerned at the disposition in some quarters to couple this spendings tax with a sales tax—as if a sales tax were any answer to our problem. A retail sales tax of 5 percent on all goods not now subject to heavy Federal excise taxes would, according to our estimates, raise only $1,635,000,000 even if it included sales of food, medicines, clothing and fuel. More than that, it would fail to tax many kinds of services, it would be grossly unfair in falling upon those with only $5 or $10 a week of earnings, it would play havoc with price ceilings, and it would have an utterly inadequate effect in discouraging consumer spending.

The spendings tax, on the other hand, will bring four times as much money into the Treasury in a single year. It will tax all spendings, whether goods or services, above necessities and above savings. It will not affect price ceilings in any way. It will, I am convinced, exert such a restraining effect upon unnecessary spending that it will make thrift not only wise but fashionable. I know of no more effective way of insuring that the people tighten their belts in wartime and put their savings away until the war is over.

For these reasons it is my firm belief that, no matter what purely revenue devices Congress may adopt, we shall still face the necessity of enacting real and basic controls of spending along the lines I have suggested.

Exhibit 76

Address by Under Secretary Bell before the Investment Bankers Association, October 19, 1942, on war financing

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The financial problems of the First World War were precedent-breaking in their time. In that war, we moved the decimal point over a full place compared with anything which had happened previously. It was then that the term "billion" became a part of the common language.

In this war, we have again entered new magnitudes. In the mobilization of men alone, we are doubling the figures of the last war. Even so, the numbers of the armed forces are an inadequate index of the size of our war effort. The amount of equipment required per man has multiplied many times over. It has been aptly stated that while in the last war the problem was "to equip the men," the problem now is "to man the equipment"—and before that to produce it. Naturally, the need for ever-increasing amounts of equipment has tremendously multiplied the financial problems of this war.

In the first fiscal year of the last war, total Government expenditures amounted to about $14 billions. In the current fiscal year, our expenditures are likely to be six times as great.

In the twelve months ended June 30, 1918, the Government collected roughly $4 billions in taxes. In the 12 months ending next June 30 receipts from taxes are expected to be more than five times as great, totaling about $21 billions.

And here is another comparison that highlights the greater dimensions of our war-financing job today. During the First World War, our war expenditures in the fiscal year 1918 absorbed less than one-quarter of the total national production. But in the present fiscal year, our war activities are estimated to absorb almost half of our total production.

The amounts which have already been raised and spent since the commencement of the defense program exceed in amount all that we spent during the last war. These amounts have been raised without any dislocation in the financial markets and at unprecedentedly low rates of interest—averaging about 1¾ percent.

We do not delude ourselves, however, that the financing of a total war can be merely a money market operation. Total war requires total effort and total sacrifice, and the financial front can be no exception. We must recognize that when our problems are multiplied tenfold in amount, they also become different in kind and must be met by new procedures.

I have already mentioned that war activities are going to take up almost half of our total production in this fiscal year. This means that we shall have to live on the other half of our gross product. We made the decision to do this when Congress passed the appropriations for war purposes and when the whole country resolved that as large a proportion as possible of our total output should be in war goods.

Finance can and will add no burden additional to that which we have already contracted for. Wise finance can and will make the burden easier to bear, however, by distributing it more equitably.

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Taxation must form the foundation for any program of war finance—for it is only by taxation, either now or in the post-war period, that the burden of the war can be finally distributed.

Much progress has already been made in the field of taxation. Our total revenue, giving effect to the passage of the tax bill now in conference between the House of Representatives and the Senate, will aggregate about $21 billions this fiscal year. This is nearly four times our revenue in the fiscal year 1940, but only about one-fourth of our expenditures in this fiscal year. Measured against the standard of past achievements, it is plainly inadequate. We shall need substantial levies beyond those contained in the present bill.

Revenue raising alone does not, however, constitute the whole of the contribution taxes can make to the successful financing of the war. Successful war finance requires fairly stable prices, and wise fiscal policy will help maintain them. But this is not enough. Other measures must also be employed if we are to have price stability.

You are all aware of the great forward steps which have been taken by the President and Congress during the past month in the direction of the stabilization of our price structure. The appointment of Justice Byrnes as Director of Economic Stabilization has given us all a new confidence that the war will be fought through to final victory without serious disturbance of the present price level.

You all know that incomes are rising while the supply of consumers' goods and services is shrinking. In order to secure a fair distribution of the available supply of consumers' goods and services at the present price level, it will doubtless be necessary to resort to more extensive rationing. To secure such an equitable distribution is the primary purpose of rationing. We should not lose sight, however, of the fact that rationing is also a powerful instrument of war finance. What we cannot spend we must save. Thus rationing is really "compulsory saving," and it may be on a vast scale.

But even with rationing over a very broad area, excess purchasing power is likely to result in extreme pressure, menacing any system of price regulation.

It would be possible to control this pressure of excess purchasing power by an instrument which stands midway between direct controls such as rationing and the traditional forms of taxation. Spending must be reduced drastically if the prospective supply of consumers' goods is to "go around" at the present price level. What could be more reasonable, therefore, than a progressive tax that would give an incentive to saving and put a penalty upon spending—the very thing that must be reduced? This is what Secretary Morgenthau proposed last month with the spendings tax. I think that many people passed a rather hasty judgment on the proposed tax at that time. I believe that it is the kind of thing which looks better and better the more you consider it, and I ask you to mull it over in your own minds.

All of the money which we do not raise by current taxation, we must borrow. As investment bankers you are directly concerned with the Government's borrowing policies; and I shall therefore lay my principal emphasis tonight upon borrowing, although I would remind you that borrowing is only one facet of our wartime financing problem. Rationing and direct controls may make borrowing easier, but they do not eliminate the need for it or reduce its amount.

One of the best sources of borrowed funds is, of course, the sale of war savings bonds. I imagine that every man in this room has given time and thought and energy to help in this very important part of our war financing. The results of the sale of war savings bonds are good and growing better; we confidently expect to sell at least $12 billion worth, and perhaps more, of war savings bonds during this fiscal year. Even more encouraging than the sales figures is the fact that more than 20 million workers are already setting aside an average of 8 percent of their pay every pay day for war bonds. Our goal is to make these figures at least 30 million workers and at least 10 percent of their pay by the first of January.

The Treasury, as you well know, has not overlooked other possible sources of funds from outside the banking system. In the sale of the tax savings note, the long-term "tap" issues and other Government securities to nonbanking investors, we believe that a significant contribution has been made to noninflationary war financing.

The tax savings note is designed not only to make available to the Government money due from taxpayers during the period in which the tax liability actually accrues, but to provide a source of investment for liquid funds that have been immobilized by wartime restrictions.

The "tap" issue, unavailable to commercial banks for a period of 10 years, is designed to attract funds from investors who welcome the opportunity to secure a long-term investment at an attractive rate.

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In the October offering of $4 billion, the books were open for only 2 days, and we obtained something like 25 percent of total subscriptions from investors other than commercial banks. Frankly, we had hoped to do better, and it is probable that the proportion would have been increased if the subscription books had been open longer. There was a considerable delay in the delivery of many of the printed circulars, and it seems clear now that there really was not enough time for many investors to place their subscriptions before the books closed. I believe that in the future we shall make arrangements to keep the subscription books open longer, at least for nonbanking investors, so that the Victory Fund Committees will have more time to do their work.

This brings us to a consideration of the place of the commercial banks in our financing program. I have tried to emphasize that it is our firm belief in the Treasury that we should borrow from commercial banks only on a residual basis—that is, to resort to the commercial banks only after every effort has been made to finance the deficit from other sources. We desire—insofar as we are able—neither to create new money nor to activate old money. Noninflationary financing requires that we draw in money that would otherwise have been spent in buying consumers' goods. It is only by drawing in money that would otherwise have been spent in this way that the Government can check whatever tendency to a price rise it may be producing by its own spending program. And it should be noted here that it is total spending rather than borrowing which creates the inflationary effect.

We must recognize that the commercial banks will be called upon to finance a large share of the deficit—in fact, a share of unprecedented magnitude. In the months—perhaps years—to come, it is important that the banks preserve a maximum of liquidity. To help them to do so, we have decided that securities sold to the banks should have a range of maturities running from 3 months, in the case of Treasury bills, to 10 years, in the case of Treasury bonds. Interest rates on bills have been fixed at three-eighths of 1 percent, a rate that is designed to promote the widespread distribution of this type of security. The Federal Reserve System has posted a buying rate of this amount so that any holder of bills knows that he can convert them into cash at any time and at this specified rate. This arrangement has served to increase greatly the flexibility of bills in the money market and has also aided in the more effective use of excess reserves. For all practical purposes, excess reserves can now be invested in Treasury bills without sacrificing liquidity. As a result, we have been able to increase steadily the amount of bills outstanding so that today more than two and one-half times as much is outstanding in bills as on December 7.

In addition to this large increase in bills, we have also revived the use of another short-term security—the certificate of indebtedness. Beginning in April of this year, we have thus far sold four certificate issues, approximating 1½ billion dollars each. Together with bills, the certificates provide a large supply of short-term paper, and thus add a large measure of liquidity to the banking system. Incidentally, it should be remembered that this liquidity is going to be a very welcome offset to declining capital ratios, and will make it easier for banks to adjust themselves to the need of shifting deposits from area to area, a process that seems likely to continue.

In securities of over 1-year maturity, we have continued to offer the banks Treasury notes, and Treasury bonds with a term of not over 10 years. This means a maximum interest rate of 2 percent on Treasury bonds sold to commercial banks.

It may seem at times that banks are being discriminated against in not being permitted to subscribe for longer-term securities which bear higher interest rates than 2 percent; but this is not the case. The Government would certainly be doing the banks no favor if it permitted them to load themselves with long-term issues. You may recall that the report of the Economic Policy Commission of the American Bankers Association, issued last April, concluded that securities sold to banks should be limited to a 10-year maturity. I think all of you will agree that a frozen banking system trying to become unfrozen after the war by selling long-term Government securities might create a bad situation.

It should also be noted that a large part of the securities which will be bought by banks will be financed by increases in deposits for the banking system as a whole. It seems reasonable that the interest rate on securities financed in this manner should be kept down to a maximum of 2 percent—regardless of the maturities involved—because the costs incurred by the banks in making loans direct to the Government, and in handling the increased deposits resulting from these loans, are small. Furthermore, from the point of view of the cost of financing the war, interest rates should be kept as low as is compatible with the objective of financing the war as much as possible outside of commercial banks.

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I think you will have seen by now that our financing program has taken on a clear and well-considered pattern. Naturally, this program constitutes only a working framework of principles. We shall, of course, endeavor to improve it and in doing so may make further changes in the types of securities offered, especially to nonbanking investors, and in the methods of offering them.

I have no doubt that you will all agree with the objectives of our war financing policy. We all realize that a great deal more remains to be done in financing the deficit as far as possible from outside the commercial banking system. To the extent, however, that we must resort to the commercial banks, it is imperative that interest rates be kept at prevailing levels and that the maximum of liquidity be preserved.

The success of our war financing depends upon attaining these objectives. We at the Treasury have had abundant evidence that the banking and security industry knows full well what is at stake. We know that we can continue to count upon your cooperation.

Exhibit 77

Statement of Secretary Morgenthau, December 6, 1942, relating to the First War Loan

In total war we can be satisfied with nothing less than total victory. This means that we must vanquish our enemies in the field. It also means that we must impose upon ourselves those restraints and self-denials without which victory in the field is made precarious and uncertain.

Total victory also demands that we keep an eye to the future as well as the present. For today, a year after Pearl Harbor, the Nation is engaged in two wars—the war against the Axis and the war against post-war chaos. Experience has taught us that a military victory alone may turn to ashes.

While we take pride, therefore, in what our arms have accomplished in the first year of war, pride, too, in the magnificent demonstration of our capacity to convert our peaceful industries to the grim business of war, let us assess realistically and soberly the grave problems we still face.

We who fight the war have also the duty of paying for the war. These costs are inescapable. No financial sleight-of-hand can transfer goods and services from the future to the present. And no debt that we might pile up for the future can reduce the sacrifices in goods and services we must make today.

The strategy of war finance is to encourage the fullest practicable use of our productive resources, to accomplish a prompt and adequate diversion of resources from peacetime to wartime use, to distribute burdens among our citizens with a maximum of fairness and a minimum of hardship, and to cause the fewest possible post-war dislocations in the economy as a whole.

The attainment of these strategical objectives requires, however, the use of different tactics for different situations. Wise financial policies in one set of circumstances may be disastrous in another.

In attaining our strategic financial objectives we must remember that the diversion of goods and services from peacetime to wartime use must be accompanied by a corresponding diversion of spending power from peacetime to wartime use. The civilian economy cannot be permitted to compete with the war economy.

We will not achieve this objective without the enactment of measures more fundamental than any yet adopted. Ways are being devised to induce consumers to refrain from spending some $40 billion in 1943. This huge sum represents the difference between disposable incomes remaining after payment of all personal taxes and the available supply of goods at current prices.

Since the inception of the rearmament program, we have increased tremendously the Government's revenues from taxes. Taxes were increased twice in 1940, once in 1941, and once again in 1942. But we must— and can—do more. While income payments to individuals will have increased by $49 billion from 1940 to 1943, personal taxes—Federal, State, and local—will have increased by only $12 billion. Heavy as the increases have been, it is clear that we can afford to pay still more.

Nor can we become smug and complacent about our borrowing record, impressive though it is. The Treasury, as you know, has attempted to place as large a proportion of its securities in the hands of the people, and not the banks. We have stood foursquare for voluntary savings, pushing aside the temptation to depend entirely upon the easier, if potentially more dangerous, method of bank borrowing. Since Pearl Harbor more than 50 million individuals have invested in war bonds, and close to 24 million workers are now investing regularly every pay day through

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payroll savings plans. More than $8,500,000,000 of the Series E, F, and G issues were sold from December 1941 through November 1942.

Impressive though this total is when judged in terms of the standards of the past, it is plainly inadequate in terms of the present and the future. It was only last January that the President proposed war expenditures of $56 billion for the fiscal year beginning July 1. This staggering sum was dwarfed by subsequent revisions upward. Just as it was necessary to raise the sights on war expenditures, so must we now raise the sights on war borrowings.

Accordingly, we have just embarked upon the greatest borrowing operation in the history of this or any other government. We are seeking to raise at least $9 billion in the coming weeks, more than half of which we hope will come from individuals, corporations and other sources outside the banking system.

The sale of war savings bonds is being intensified, especially through the payroll savings plan, but in addition we are now offering securities that should meet the needs of every type of investor. In particular, we are placing great emphasis upon the so-called "Victory two-and-one halfs"—a long-term bond that is an ideal investment for those able to lend $500 or more to their Government. In this drive we are not only seeking money out of current earnings, which is the best of all kinds of money from the anti-inflationary point of view, but we are also seeking the money that is lying idle in the form of accumulated balances.

This is no time for men or money to be idle. As the President said last week, "We have got to make our dollars 'fighting dollars' by investing them in Government bonds." I have every hope that this gigantic borrowing will go over the top, and that it will set a pattern for similar financing operations in the year to come.

Exhibit 78

Statement of Secretary Morgenthau, March 22, 1943, prepared at the request of the United Press for a discussion under the caption "The Treasury prepares for post-war problems"

There can be no hard and fast boundary line between the policies necessary for winning the war and those for winning the peace. The character of our problem in the post-war period will be determined in large measure by the plans, and especially the activities, we undertake today. War policies that also contribute to the solution of post-war problems are better policies, therefore, than those that do not.

Our present struggle against wartime inflation is a signal example of the contribution that can be made by a policy designed for winning of the war to the winning of the peace. Fiscal and nonfiscal measures designed to prevent inflation will aid us in winning the war—by forestalling a ruinous rise in the cost of living, by keeping down Government costs, by encouraging production and not speculation, by maintaining the public debt within manageable bounds. By the same token, however, these very wartime measures are contributing greatly to the prevention of post-war deflation with its attendant chain of personal tragedy, economic chaos, and social unrest.

Taxes provide another case in point. At a time when about 60 cents of every dollar of income earned in the country is represented by Government purchases of tanks, ships, and planes, it is impossible to exaggerate the Government's needs for additional revenues. It cannot be stressed too often also how vital these additional revenues are for apportioning the costs of the war fairly and equitably, preventing rises in the cost of living, and maintaining morale. Yet, it is not the contribution of taxes to the more effective prosecution of the war that is alone involved; it is also the beneficent effects of increased taxes today on the world of tomorrow. Wartime taxes mean we pay for war once and for all now; wartime borrowing means we postpone the final redistribution of the costs of the war until the post-war future. By taxing ourselves to the utmost today, when few civilian goods are available for purchase anyway, we reduce by so much the taxes we will have to impose on ourselves tomorrow, when plenty of goods will be available for purchase.

Finally, we have the case of wartime borrowings. While the Treasury's policy is to tax more and borrow less, it is impossible, let alone desirable, to finance the gigantic costs of this war from taxes alone. Government borrowings are therefore necessary. The policy of the Treasury has been to raise as large a proportion of the borrowed funds it requires from individuals, fiduciaries, trusts, and corporations rather than from the banks; to borrow old money rather than new money. This policy, like the others, has a dual purpose. Its wartime purpose is to match the diversion of our production from peacetime to wartime use by corresponding diversion of our income and savings from peacetime to wartime use, thereby con-

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tributing to the prosecution of the war by seeing that our production and financial gears mesh smoothly. Its peacetime purpose is to provide the American people with a backlog of savings that will come in good stead indeed when once again the sword is beaten into the ploughshare. The fact that at the present time there are over 50 million investors in war bonds, and 25 million participants in payroll savings plans alone, is an eloquent tribute to the contribution that wartime financing is making to the solution of post-war problems.

It would be easy to exaggerate, however, the contribution of wartime financing to the solution of post-war problems. This I have no intention of doing. The fact is that the war, in spite of all that we may do now, will leave us heir to a host of problems long after the guns have ceased firing and the world has settled down to the quiet pursuits of peace. These problems are by no means insoluble; nor are they so intractable or laden with heavy forebodings as some present-day Cassandras would have us believe. To their solution, however, we will have to bring intelligent insight and sympathetic understanding.

I can raise here only one of the domestic problems that will face us in the post-war period—the problem of the debt. By the end of June 1944 we will have a Federal debt of something like 210 billion dollars unless additional tax legislation is passed. The mere servicing of this debt will involve interest payments of more than 4 billion dollars—approximately equal to the total receipts of the Federal Government in 1936. And if the war continues beyond the middle of 1944, the debt of course will continue to mount.

While an internal debt, such as ours will be, serves neither to enrich nor to impoverish a nation—the taxes raised to service the debt being restored to the people by way of interest payments—it does raise a number of serious problems. I can do no more than pose them.

There will be the problem of what kind of taxes to employ to service and repay the debt. This will be important because it will involve a possible redistribution of the costs of the war among individuals. It will also involve the impact of taxes on investment, consumption, and, therefore, the national income. The magnitude of the debt will likewise affect the Government's freedom of action and raise problems in regard to banking and currency policy. Above all, a debt as large as we are likely to have will make it more imperative than ever that reasonably full employment with a high national income be preserved in the post-war period. Otherwise, it is not difficult to contemplate how oppressive the burden of debt might easily become.

The magnitude of the Government's fixed obligations together with its current revenue requirements in the post-war period will raise other problems relating to the tax system. The principle of ability-to-pay must be preserved. It should be possible, however, to go beyond the present techniques for measuring personal taxpaying ability toward a more accurate concept of net income giving more adequate recognition to expenses incurred in securing our income and variations in the cost of providing a basic living standard. The post-war period may require a substantial reorientation in our business and consumption taxes. It will undoubtedly involve active effort to avoid international double taxation and better integration of the Federal tax system with those of State and local governments. While we will want to shun taxes that hinder business enterprise, we will also want to employ the tax system to its utmost as an instrument for stimulating business enterprise in areas required by the public interest. Finally, we will have the problem of making certain that our taxes do not place unnecessary compliance problems on taxpayers or entail unnecessary public expense.

These are but a few of the post-war problems suggested by our prospective debt.

In the immediate post-war period there is a strong probability that the reconversion of industry from wartime to peacetime uses, the development of new industries, the satisfaction of the accumulating demand for peacetime consumers' goods, the need for capital replacements which are anticipated in the ample depreciation and depletion reserves now accumulating, and the satisfaction of at least minimum demands from abroad for relief and rehabilitation will constitute collectively an effective buffer to a possible post-war depression. The huge backlog of post-war purchasing power exemplified in our own war bonds is indeed added assurance in this respect.

These factors making for industrial revival are by no means free of certain dangers, however. It took us months to mobilize our peacetime industries for war; it will take months in turn to complete the process of industrial demobilization for peace. What this involves for the American people is fairly clear. It means that we must reorient our wartime ways of doing things, our wartime ways of buying and living, not all at once, but gradually; it means we must be on our guard against post-war inflation in the same way that today we are on guard against war-

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time inflation. An intemperate buying-spree immediately upon the termination of the war might have precisely the same effect as that at the close of the last war, when the cost of living spiraled upward 29 percent between November 1918 and June 1920. We must not permit war weariness and a desire to return to "normalcy" to rob us of the very fruits of victory. This will not happen if the demobilization of wartime habits of spending and saving proceeds at the pace of our industrial demobilization.

But we must look beyond the period of transition from war to peace, to the period when our peace economy will once more be reestablished to perform its normal functions. The outlines of that longer period are not as clearly defined as we should like them to be. To some extent, however, we are shaping the character of that longer period by the plans, and especially the activities, we are now undertaking. By its constant, unrelenting emphasis upon the necessity for more taxes, more saving, and more sacrifice, the Treasury is today laying the basis for a more prosperous and durable peace. The same policies, moreover, will give the Treasury in the post-war period that freedom of action and that flexibility of maneuver so vital for coping with unforeseen developments bound to arise.

The war has opened our eyes to the unimagined productivity of industrial and agricultural America. Wartime shortages of peacetime goods and services have not blinded us to the enormous potentialities for abundance in our dynamic industrial society. It is precisely this unexampled capacity to produce, shorn of its fetters, upon which the future welfare and prosperity of our people ultimately depend. If in the peace to come we realize the potentialities for abundance inherent in our great productivity and do not permit our precious resources to lie idle in stagnant pools, we have little to fear as a nation. The promise of plenty exists today; the fact of plenty waits on the morrow.

TAXATION DEVELOPMENTS

Exhibit 79

Statement of Randolph E. Paul, Tax Adviser to the Secretary of the Treasury, before the House Ways and Means Committee, March 3, 1942, discussing in detail the methods for raising additional revenue

My purpose in appearing before you at this time is to discuss in greater detail some of the matters mentioned by the Secretary in his statement,[1] and also to present some additional matters of a more technical nature. While it is not possible to mention all the technical suggestions we would like to present to this committee, I believe that a description of the more important matters will help to acquaint taxpayers with our views. I will follow as far as possible the order of treatment contained in the Secretary's statement.

I. Individual Income Tax

(*a*) *Earned income credit.*—In the field of the individual income tax the Secretary has indicated the suggested rates of surtax. As the tables he presented indicate, no lowering of the present exemptions of $750 for individuals and $1,500 for married persons, or of the $400 allowance for each dependent, is suggested. The tables do indicate a change from the present law with respect to the earned-income credit, which we suggest should be eliminated. The value of the present credit—only $12 of tax for a taxpayer having $3,000 of income, with a maximum of $56 for a taxpayer having $14,000 of earned income—is out of all proportion to the complexities which the credit produces in the computation of the tax. The elimination of the credit permits fixing of the surtax rates at a slightly lower level in the lower brackets than would be the case if the credit were retained.

(*b*) *Withholding at the source.*—The Secretary has stated the essential need for a system of withholding at the source. He suggested withholding at the source as a means of collecting part of the income tax—not as a method of imposing additional taxes. He pointed out that such withholding should be flexible both as to the time when it should be started and the rates at which the tax should be withheld, up to 10 percent.

The suggested method may be briefly described as follows: Tax would be withheld at the source upon wages, salaries, corporation dividends, and corporation bond interest. With respect to wages and salaries, the withholding would be on a net basis. The tax would be withheld only upon the excess of wages and salaries over the taxpayer's personal exemption, credit for dependents, and a fixed per-

[1] Statement appears in the annual report for 1942 on p. 362.

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centage of such exemption and credit representing an average allowance for deductions. The amounts thus relieved of the withholding requirement would be broken down by pay-roll periods, so that the employer would know how much to deduct if the employee is paid by the week, by the month, or by any other period. The employee would be required to file with his employer an exemption certificate supplying information on his family status. Thus, there would be exempt from the withholding tax about $16 a week for a single person, $32 a week for a married person, and $40.50 for a married person with one dependent. The great majority of domestic employees and part-time hourly employees earning small sums with respect to which it is impracticable to apply a withholding system would thus be removed from the scope of the proposed system.

The employer would remit quarterly to the Treasury the amount withheld. He would also at the end of the year, or upon termination of employment, give the employee a receipt for the amount of tax withheld.

At the end of the year the employee would compute his tax liability and file his return in the usual manner. He would include in his income the full amount of the wages payable to him and not merely the balance after withholding. However, he would receive a credit against the tax due for the amounts withheld at the source. In the rare case when the amounts withheld at the source exceeded his entire tax liability, the employee would be entitled to a refund. A system would be instituted whereby these refunds could be made promptly.

With respect to dividends and bond interest, the withholding would be on a gross basis, but at the same rate as for wages and salaries. Withholding on a net basis is impracticable because an individual may hold stocks and bonds in many corporations. Of course, any amount withheld in excess of tax liability would be refunded to the taxpayer.

Recipients of wages and salaries, dividends, and bond interest would thus, to the extent of the amounts withheld, have effected a prepayment of their tax liabilities. In order to achieve a speeding up of payments by recipients of other types of income upon which it is impracticable to collect tax at the source, it is suggested that all taxpayers be required to pay one-half of their 1942 tax liabilities on March 15, 1943, and the remaining one-half in installments thereafter. Those taxpayers whose incomes are not subject to withholding would be obliged to save in 1942 sums sufficient to meet the increased March 15, 1943, payment. These taxpayers would thus be placed in a somewhat equivalent position to the recipients of income subject to withholding, who would be able to use their receipts for the amount withheld to meet their March 15 payment.

II. Corporate Taxes

(*a*) *Excess profits tax.*—The Secretary has made two recommendations with respect to the excess profits tax: (1) An increase of 15 percentage points in each bracket, providing a range of rates extending from 50 to 75 percent, and (2) an expansion of the relief provisions. Our growing experience with the excess profits tax indicates that our present relief provisions require amplification. While normal earnings can ordinarily be ascertained by reference to the base period years used in the statute, 1936–39, those years may not always have been representative years for the corporation. The wide range of causes which may make the base period unrepresentative indicates the need for expansion of the present relief provisions which extend to only a few of those causes. At the same time, this variety of causes also gives rise to administrative problems of serious proportions. Some of these problems can be met in the manner indicated in the present law—the applicant for relief must show that the hardship complained of is a severe one and that the relief requested will make a substantial difference in tax liability. These tests are helpful, although they should be made more stringent in view of the general increase in the tax burden. Other problems can be met by placing the administration of the relief provision in the hands of a special board, whose members and staff would be technically competent to deal with the economic and industrial problems that will arise. In this connection it will of course be necessary to reexamine the relief provisions in the present law, including those that might be described as mechanical, such as the growth formula and the deficit rule. It will also be necessary to reconsider the relief provisions dealing with the ascertainment of the current year's income to see if they are adequate.

The remaining changes in the excess profits tax largely relate to the improvement of its technical operation. For example, Supplement A, which deals with the computation of the base period credit in the case of consolidations and other exchanges, is defective in a number of respects and should be revamped. There

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are a number of other provisions which experience has indicated are in need of modification, and we shall be prepared to present these technical changes to the committee at a later date.

(*b*) *Corporation normal and surtaxes.*—For corporations with net incomes over $25,000, the war surtax would be 31 percent; for corporations with net incomes under $25,000, the war surtax would be 16 percent.

An integral portion of the proposed treatment of corporations having incomes over $25,000 is the special credit to be allowed against the war surtax. A corporation whose current year's surtax net income is less than the average surtax net income of the years 1936 to 1939 inclusive would be allowed a credit of 10 percent of that difference. Such credit, however, would be limited to a maximum of 20 percent of the surtax net income. For example, if a corporation had an average surtax net income for the years 1936–39 of $150,000, and a 1942 surtax net income of $50,000, its gross war surtax would be 31 percent of $50,000 or $15,500, but it would be allowed as a credit against that sum 10 percent of the difference between $150,000 and $50,000, or $10,000, so that its war surtax would be reduced to $5,500. Its normal tax would remain 24 percent. If the average surtax net income for the years 1936–39 had been $200,000, 10 percent of the difference would come to $15,000. However, such $15,000 is in excess of 20 percent of the surtax net income for 1942; the credit therefore would not exceed such 20-percent figure, or $10,000.

As suggested by the Secretary, it is believed desirable that such portion of the tax on any dollar of corporate income as exceeds 80 percent should be set aside by the Government for the account of the corporation. After the war the amounts so set aside would then be repaid to the corporation for the reemployment of labor, either directly or in the construction of capital needed in shifting operations from wartime production to peacetime production. This does not mean that a corporation must have an average effective rate of tax of more than 80 percent before any amount would be set aside under this provision. Whenever the receipt of an additional dollar of income would give rise to a combined excess profits tax, war surtax and normal tax of more than 80 cents, the amount above 80 cents would be recorded in the name of the corporation for the purpose mentioned. If the corporation were subject to excess profits tax of 60 percent or more it would have some income subject to more than the 80-percent rate and accordingly would have part of its tax set aside.

III. Estate and Gift Taxes

The Secretary has mentioned the changes in the rates and exemptions which we are suggesting for the estate and gift taxes. Other changes suggested by the Treasury with respect to these taxes will be discussed at a later point in my statement.

IV. Excise Taxes

With respect to the increases in the excise taxes discussed by the Secretary, it is suggested that in the legislation imposing such increases the Congress state the policy that the increases are not to be considered a justification for increasing wages and are not to enter into the computations of parity prices for agricultural products. One additional matter may be mentioned. A few of the new excise taxes which were imposed under the Revenue Act of 1941 have not proved to be productive of any appreciable revenue. These few taxes are all imposed upon articles the manufacture of which has been or may be expected to be drastically curtailed. In addition, certain of these taxes have imposed an administrative burden upon the Bureau of Internal Revenue far out of proportion to their revenue yield. Accordingly, it is suggested that the excise taxes on the manufacture of rubber articles, electric signs, optical equipment, and commercial washing machines be repealed.

V. Removal of Special Privileges

In the portion of his statement dealing with the elimination of special privileges the Secretary stressed three items: Tax-exempt securities, percentage depletion, and separate returns by married persons, and mentioned a number of others. The first of these requires no additional discussion to make our recommendation clear.

(*a*) *Percentage depletion.*—With respect to percentage depletion, we suggest that the avoidance of tax now permitted be eliminated by discontinuing the allowance for percentage depletion. Taxpayers would hereafter be permitted to obtain depletion only on a cost basis. If the committee desires to continue some allowance for those taxpayers who have developed properties in the belief that percentage

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depletion would be obtainable, we suggest that this might be accomplished as follows: For oil and gas properties which became productive prior to January 1, 1942, percentage depletion might be permittted at a rate of 15 percent of the gross income from the property in the case of those taxpayers who elected to charge intangible drilling and development costs to capital account in prior taxable years. Taxpayers who elected to charge such costs to expense in prior years might be limited to a percentage depletion allowance of 5 percent, the 10-percent difference being approximately the advantage obtained by this group of taxpayers through expensing such costs. For metal mines, and nonmetal mines or deposits including coal mines, which became productive prior to January 1, 1942, percentage depletion should be permitted at a rate of 10 percent in the case of metal mines and 5 percent in the case of other mines for taxpayers who capitalized intangible development expenses, and at 5 and 2½ percent, respectively, if such items were expensed.

If the committee desires to offer a tax advantage as an inducement to new discoveries, we suggest that this might be accomplished as follows: A taxpayer who in the future discovers a new pool of oil or gas would obtain percentage depletion with respect to all production from his entire acreage within such pool at the rate determined upon, but not to exceed 27½ percent. In the determination of a new pool, each new zone or horizon would be considered a new pool. Such allowance of percentage depletion would be limited, however, to those taxpayers who contribute substantially toward the cost of the exploratory well. Contributions would be deemed substantial if equivalent to 25 cents or more per foot of hole drilled for wells less than 6,000 feet in depth, and 50 cents for wells in excess of such depth. As to metal mines, and nonmetal mines or deposits including coal mines, hereafter developed, the allowance would be 10 and 5 percent, respectively, for taxpayers who bear the burden of the cost of exploration, development, and operation of the property.

Finally, the existing option to capitalize or expense intangible drilling and development costs should be eliminated for both oil and gas wells and mines, and hereafter such costs should be charged to capital account.

(*b*) *Joint returns.*—The third item mentioned by the Secretary, separate returns by married taxpayers, was considered by this committee last year. A provision was inserted in the bill as reported by the committee requiring a husband and wife living together to file a joint return. Under this provision the tax liability would be computed upon the basis of the combined incomes of husband and wife. However, if either spouse so desired the actual tax burden would be allocated between them, so that neither would be forced to pay the tax due from the other. Our suggestion this year is substantially the same as the provision adopted by this committee, with one modification. The adjustment for earned income mentioned by the Secretary would be computed as follows: A tax would be computed separately on the husband's earnings up to a maximum amount, and on the wife's earnings up to the same maximum. There would then be computed the tax on the total of such earnings. The difference between the tax on the combined earnings and the sum of the taxes on the separate earnings would be allowed as a credit against the tax based upon the entire joint income. If both husband and wife earn less than the specified amount of earnings and receive no other income, the liability under a joint return would be no greater than the sum of the liabilities under separate returns.

(*c*) *Capital gains and losses.*—The Secretary has stated that our treatment of capital gains and losses is another example of a special privilege in our tax laws. On the one hand, the present maximum tax rates applicable to gains from capital assets held 18 months or more are unusually low. They have been left at their 1938 levels, while the rates on other incomes have been substantially increased. On the other hand, the present privilege of deducting capital losses from ordinary income has under recent rate increases encouraged an unusually large amount of capital loss realization. This practice was particularly noticeable during the last few weeks of 1941.

We have two major suggestions to meet these defects. As to long-term capital gains, one holding period of over 18 months would be substituted for the present complicated double holding period of 18 and 24 months. Such long-term capital gains would be included in income at 50 percent of the amount of the gain, which is the present percentage for assets held over two years. At the same time the maximum effective rate on long-term capital gains would be increased from the present 15 and 20 percent to a single rate of 30 percent. These changes will bring the tax on long-term capital gains into closer harmony with the suggested increased rates on other incomes.

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As to long-term capital losses, it is suggested that such losses would not be permitted as a deduction against ordinary income, but only against long- or short-term capital gains. Short-term capital losses can be applied under present law only against short-term capital gains. It is suggested that they be permitted as a deduction from long-term gains as well. To prevent hardship in the case of a taxpayer having small income and sporadic losses, it is suggested that $1,000 of capital losses, whether long-term or short-term, be allowed against ordinary income. Moreover, a 5-year carry-over would be allowed for the excess of capital losses over capital gains.

(*d*) *Life insurance companies.*—Another example of special privilege pointed out by the Secretary is the present treatment of certain insurance companies. The life insurance companies of the United States have assets of 30 billion dollars. During the year 1939 these assets earned investment income of over 1 billion dollars. Yet the life insurance companies in the United States paid a total income tax of only $459,000.

There are two major reasons why life insurance companies pay practically no tax. First, they are allowed to deduct from their investment income an amount equal to 3¾ percent of the mean of the reserves required by law, although the average rate actually earned is less than 3½ percent. Second, while tax-exempt interest is excluded in computing investment income, that portion of the tax-exempt interest which is attributable to the reserves is excluded a second time through the deduction of 3¾ percent of the mean of the reserves.

It is suggested that this double exclusion of tax-exempt interest be eliminated by reducing the reserve earnings deduction by the percentage that tax-exempt interest bears to total investment income.

Further, the deduction of 3¾ percent of the mean of the reserves should be reexamined in the light of present-day realities. It is suggested that this deduction be reduced to an average of 3¼ percent and the actual rate of interest assumed by the company in computing its reserves. In ascertaining this average, a weight of 65 percent should be given to the 3¼ percent and a weight of 35 percent to the actual interest assumption rate. Such a formula avoids the unfairness of using either a fixed rate, which discriminates against those companies using a higher actual rate and thus possessing smaller reserves, or the actual rate alone, which discriminates to an even greater degree against companies using a low rate and which injects to an undesirable extent considerations of tax consequences into the determination of the rate to be used. Today, most insurance is written on a 3½- or 3-percent basis. As the suggested formula when applied to the reserves under such rates produces an approximate equality in the allowable reserve earnings deduction, discrimination is thereby avoided.

Finally, the restriction of the tax base for life insurance to investment income would be confined to the actual life insurance business of a company. A life insurance company also doing a health and accident business on a cancelable basis would be taxed as are casualty insurance companies on that portion of its business.

(*e*) *Mutual insurance companies other than life.*—Many of the mutual casualty insurance companies, large as well as small, are given an outright exemption from taxation under section 101 (11), although that section was originally designed to exempt only small and local mutual companies. Other mutual companies, while nominally subject to tax, ordinarily pay no tax under the present method of computing their income. This has resulted in a serious disparity in tax treatment between such mutual companies and the stock casualty companies.

It is suggested that the exemption in section 101 (11) be confined to those mutual casualty companies whose net taxable income does not exceed $25,000 and which do not write insurance on any property having a value of more than $50,000, regardless of whether reinsured. It is further suggested that the remaining mutual companies be taxed on the sum of their investment income and the additions to their surplus which are free from claims of policyholders.[1]

(*f*) *Pension trusts.*—The tax avoidance potentialities of pension trusts are well known. The use of these trusts as a tax saving device for key officers and employees has been stimulated by increasing rates of tax. To prevent such tax avoidance we suggest that a trust should be required to meet the following standards in order to be tax exempt: (1) The right of the employee to his portion

[1] The suggested basis for the taxation of these companies is as follows: They would be taxed on the sum of their net investment income and net premiums received, less a deduction for the portion of the losses, underwriting expenses, dividends paid to policyholders and additions to policyholders' claimable reserves paid out of premium income, and a deduction for any net loss of the prior year. The portion of losses, expenses, dividends and additions to reserves paid out of premium income would be determined by deducting from such amounts the net investment income remaining after allowance for the tax to be paid on such income.

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of the employer's contribution to the trust, and to its earnings, as well as to his own contribution, should be fully vested; (2) the trust should cover either (*a*) 70 percent or more of all employees, excluding employees who have been employed for less than a minimum period not exceeding 5 years, and casual, part-time and seasonal employees, or (*b*) such employees as qualify under a classification set up by the employer and found by the Commissioner not to be based upon any favoritism for employees who are officers, shareholders, supervising employees, or highly compensated employees; (3) the system of contributions and benefits under the trust should not discriminate in favor of officers, shareholders, supervising employees, or highly compensated employees; and (4) if the pension benefits of an employee in such a tax exempt trust exceed, let us say, $7,500 a year, such employee should include in income currently his pro rata share of the employer's contribution to the trust and of the earnings of the trust.

VI. Hardships and Inequities

The Secretary has pointed out that war-time rates make it imperative to eliminate as far as possible existing inequities which distort the tax burden of certain taxpayers. I should like to discuss the inequities which the Secretary mentioned as well as a few additional hardships.

(*a*) *Investment expenses.*—Under existing law taxpayers are allowed to deduct expenses incurred in connection with a trade or business. Nontrade or nonbusiness income, however, is also subject to tax. It would therefore be equitable to provide for the deduction of expenses incurred in the production of such nontrade or nonbusiness income. If the committee approves this suggestion, the change should be made applicable to all prior years, subject, of course, to the statute of limitations and like restrictions.

(*b*) *Amortization option.*—The 5-year amortization option with respect to emergency facilities contained in section 124 is allowed at present only to corporations. With increasing expansion of our war production, many individuals and partnerships manufacturing war materials will find it necessary to obtain new facilities. It is therefore suggested that the amortization option be extended to individuals and partnerships.

(*c*) *Recoveries of bad debts and taxes.*—If a taxpayer who has taken a bad-debt deduction later receives payment of such debt, such payment must be included in his income even though he obtained no tax benefit from the deduction in the prior year. While this result is theoretically proper under our annual system of taxation, it may produce severe hardships in certain cases through a distortion of the taxpayer's real income. At the same time, any departure from our annual system of taxation always produces administrative difficulties which serve to impede the collection of taxes. It is believed that the hardships can be removed and the administrative difficulties kept to a minimum by excluding from income amounts received in payment of the debt to the extent that the deduction on account of the debt in the prior year did not produce a tax benefit. The troublesome question whether a benefit resulted should be determined pursuant to regulations prescribed by the Commissioner with the approval of the Secretary. It is also suggested that this treatment be extended to refunds of taxes previously deducted.

(*d*) *Consolidated returns.*—At the present time corporations subject to the excess profits tax are permitted to file consolidated returns for the purposes of that tax if they meet certain standards of consolidation, and if they consent to regulations prescribing the method of computing the tax on a consolidated basis. Except for railroads and certain corporations in foreign trade, these corporations, however, are not permitted to file consolidated returns for the purposes of the corporation income tax. This divergence in treatment makes for considerable complexity in the application of the two taxes, a complexity which burdens taxpayers and the Bureau of Internal Revenue alike. Moreover, an accurate measure of the income of a group of affiliated corporations can only be obtained through the use of consolidated returns. Under the rates of tax now suggested for the corporation income tax, the inaccuracies that occur through separate returns may work a severe hardship. It is therefore suggested that affiliated corporations be given the privilege of filing consolidated returns for the purposes of the corporation income tax as well as the excess profits tax. Any group of corporations electing such privilege should be required to do so for both taxes. The committee may wish to consider the desirability of having a differential in tax for corporations electing to file consolidated returns.

(*e*) *Income accrued at date of decedent's death.*—Under present provisions income accrued to the date of a decedent's death must be included in the return for his

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last income tax period. The "bunching up" of income that may occur under this provision can work a severe hardship, as the income of the decedent may in effect be artificially raised to a much higher surtax bracket. The Supreme Court has indicated that under this provision a lawyer's share of the fees from cases pending at his death is includible in the income tax return for the year in which his death occurs even though such fees may not be collectible until years later. The same result may follow with respect to the commissions of insurance agents, executors, and trustees, and the fees of doctors and other professional men. To avoid this hardship, it is suggested that the present method of treating such income be eliminated in favor of a method that taxes the income to the persons who actually receive it. Thus, the income would be made taxable to the estate or to the heir or legatee as the case may be. It is also suggested that this change be made retroactive to all open years under proper safeguards insuring payment of the tax by the recipients of income in such years.

VII. Additional Examples of Special Privileges

A. INCOME TAXES

(*a*) *Tax-exempt corporations engaged in business.*—Our revenue laws have been generous in exempting certain corporations from the income tax. Thus charitable or educational corporations are not subject to the corporate income tax. Many exempt corporations, however, have so far departed from the purpose of the exemption as to engage in trades and business completely unrelated to their exempt activities, and yet the income of such business activities remains exempt from tax. If a college operates a hotel, the earnings of the hotel are exempt; if an orphans' home operates a water works and an electric power and gas company, the earnings of these utilities are exempt; if a charitable organization operates a bathing beach, the earnings of the beach are exempt. In this way sources of considerable tax revenue are withdrawn from the scope of the tax. At the same time privately owned businesses are forced to compete with other businesses not subject to an income tax.

It is believed that the exemptions accorded to such organizations should not be so distorted. It is therefore suggested that such corporations be taxed on the income derived from a trade or business not necessarily incident to their exempt activities. Thus, it is not intended to tax an institute for the welfare of the blind on the proceeds from the sale of articles made by those aided by the institute. It might also be desirable to allow a flat exemption of $5,000 regardless of the nature of the business activity.

(*b*) *Basis of property acquired from decedent.*—Under present provisions the basis for determining gain on an asset acquired from a decedent is the market value of such asset at the date of death. Appreciation in value in the hands of a decedent thus becomes frozen in the basis accorded to the heir or legatee. A large part of the capital gains inherent in the increased value of property thus escapes income tax as the assets are handed down from one generation to the other. To remove this special privilege, it is suggested that the basis of property to the recipient for the computation of capital gains and losses be the same as it was in the hands of the decedent.

(*c*) *Annuity trusts.*—A beneficiary of a trust is taxable on the portion of the trust income currently distributable to him. If, however, the beneficiary's share is made a charge upon the trust corpus, the courts have ruled that the trust, and not the beneficiary, is taxable. This is so even if the amounts received by the beneficiary are paid out of the income of the trust and in no way diminish the trust corpus, and even if the relationship between the yearly amount to be paid to the beneficiary and the trust income makes it inconceivable that the corpus will ever have to be resorted to. This situation offers a ready method of tax avoidance to trust grantors, since without any real inconvenience they can shift the tax from beneficiary to trust so as to avoid the higher surtax brackets. It is suggested that this special privilege be eliminated by taxing to the beneficiary the amounts paid to him to the extent that they are paid out of the trust income.

(*d*) *Amortization of bond premium.*—Holders of a tax-exempt security purchased at a premium are today in the unique position of being relieved of tax on the interest paid on the security and of receiving a deductible loss upon redemption or other disposition of the security to the extent of the premium. As the premium at which a bond is obtained represents to the holder merely an effective yield lower than the actual interest rate, the holder is entitled merely to tax exemption solely with respect to such effective yield. The difference between the yield and the actual interest rate is simply a return of capital and should be treated as

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such rather than as a capital loss. On the other hand, the holder of a taxable security purchased at a premium is in the unfortunate position of being taxed upon the interest at high rates and of receiving a capital loss upon redemption whose deductibility is subject to the restrictions placed upon capital losses. Since the yield rather than the actual interest rate reflects the true income to the taxpayer, only that income should be subject to tax and the capital loss should disappear.

Proper tax treatment in both situations may be obtained through amortization of the premium. It is suggested that such amortization be mandatory for wholly tax exempt securities, and for partially tax exempt securities held by a corporation. For all other securities, the amortization should be at the taxpayer's election.

(*e*) *Nonbusiness bad debts.*—At present taxpayers are permitted to reduce their taxable income by deductions for bad debts even though the loans giving rise to the deduction have no connection with any business activity of the taxpayer. Moreover, such a bad debt deduction (other than losses on corporate securities) is not subject to the restrictions on capital losses. To insure a fairer reflection of taxable income it is suggested that only the first $500 of a nonbusiness bad debt be deductible in full, and that the balance be treated as a capital loss.

(*f*) *March 1, 1913, earnings and increase in value.*—A stockholder is normally taxable on the earnings of a corporation distributed to him as a dividend. If, however, the distribution is traceable to earnings of the corporation accumulated prior to March 1, 1913, or to an increase in the value of property which occurred prior to that date but was realized by a sale thereafter, the distribution is not taxable to the stockholder. There is no valid policy ground for according such a privilege to a few favored shareholders. Nor is there any constitutional requirement for this exemption, for the Supreme Court long ago ruled that a distribution of this nature could be taxed if Congress chose to do so. Moreover, the perpetuation of this exemption is responsible for much of the complexity attendant upon the provisions dealing with corporate distributions. It is therefore urged that the exemption be eliminated.

B. ESTATE AND GIFT TAXES

(*a*) *Powers of appointment.*—Since 1918 the estate tax has expressly included in the decedent's estate property which passes under a general power exercised by the decedent. Experience with this provision has disclosed a number of serious defects. The language of the statute provides a generous loophole for the avoidance of tax if the decedent simply refrains from exercising his power. Even if the power is exercised, principles developed by the Supreme Court and the lower courts bar the imposition of an estate tax where the recipients appointed by the decedent are the persons who would take the property in the absence of exercise. Finally, the existing provision reaches only general powers, thereby granting immunity to powers of disposition which are in effect as broad as general powers although technically they do not qualify as such under rules of property law unrelated to taxation.

In order to overcome the foregoing defects the following changes are proposed: (1) The estate tax should reach all property subject to a power of appointment, whether exercised or not, other than powers expressly excluded by statute; (2) the powers excluded from the reach of the estate tax should be limited to (*a*) powers to appoint among the decedent's spouse, his descendants, and spouses of such descendants, (*b*) fiduciary powers, and (*c*) powers to appoint for charitable purposes; (3) the executor should be authorized to obtain reimbursement from the appointive property for that portion of the tax which is attributable to such property; (4) the gift tax statute should include the exercise or surrender of all powers subject to the estate tax.

(*b*) *Life insurance.*—The life insurance provision of the statute should be amended to state explicitly the criteria of taxability with respect to life insurance. It is suggested that insurance proceeds should be taxed as part of the decedent's estate if he has either paid the premiums on the policy or possessed at death incidents of ownership in the policy.

(*c*) *Contemplation of death.*—The existing rebuttable presumption that a gift is in contemplation of death if made within 2 years of death has been productive of litigation but not of revenue. It is therefore proposed that the provision be amended to provide that all transfers made by a donor over the age of 65, to the extent that such transfers to any one beneficiary exceed, in the aggregate, a specified sum, shall be subject to the estate tax.

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(*d*) *Limitation upon deductions for contributions to charity.*—Amounts bequeathed or transferred for specified charitable purposes are deductible in computing the estate subject to tax. The statute contains no limitation upon the amount of the deduction for such gifts to charity and thereby affords to wealthy individuals an opportunity virtually to escape all liability under the tax. The provision also enables decedents to perpetuate, through charitable trusts and corporations, family control over their wealth without paying the estate tax. The policy underlying the deduction for gifts to charity does not justify such results and it is suggested that the deduction be limited to a specified percentage of the decedent's estate.

VIII. Additional Examples of Hardships and Inequities

A. INCOME TAXES

(*a*) *Alimony.*—Generally speaking, alimony payments are not subject to tax in the hands of a divorced wife. Even where irrevocable trusts have been established, and the husband has no further interest in the trust property, the income of the alimony trust is nevertheless taxable to him because it is used to pay an alimony obligation. Rising tax rates have in some cases absorbed the entire income of the husband required to pay the tax on his income and that of his divorced wife. At the same time, divorced wives receiving tax free alimony possess a privileged status under our tax laws which relieves them of any share of the tax burden.

The fair solution is that recommended by the Senate last year, namely to tax alimony payments to the divorced wife. We suggest that this solution be adopted.

(*b*) *Personal holding companies.*—While, generally speaking, the special high tax placed on a personal holding company is not applicable if it distributes all its income, in some cases this tax will be applicable even though such a complete distribution of income is made. This results from the fact that the net income upon which the company is taxable and the earnings and profits upon which its credit for distribution turns may be computed differently. For example, a capital loss reduces earnings and profits but does not reduce net income. If the earnings and profits are lower than the net income a distribution of the entire income may produce a credit equal only to the earnings and profits, leaving the company still subject to tax on the balance. As there is no justification for this result, caused entirely by technical defects in the present tax, it is suggested that relief be accorded to such companies. The relief, which should be made retroactive to 1937, would make the tax inapplicable if the shareholders agree to include in their income any actual distribution made (or consent to taxation under the consent dividends credit as if a distribution had been made), to the extent of the discrepancy between income and earnings and profits.

Another inequity under the present operation of this tax is its coverage of industrial loan and investment companies. Such companies, organized and regulated under State laws, are operating companies whose purposes and activities are not of the type intended to be reached by this tax. It should be noted that licensed personal finance companies have been specifically exempted from the tax and these companies fall in the same general category. It is, therefore, suggested that industrial loan and investment companies be relieved from the tax under appropriate safeguards.

(*c*) *Statute of limitations on bad debts and worthless stock losses.*—The difficulties surrounding the deduction for bad debts and worthless stock losses have long been familiar sources of irritation to taxpayers and the Commissioner alike. It is far from easy to ascertain when a debt is bad or when a share of stock becomes worthless. At the same time, the taxpayer must select the proper year before the statute of limitations has run with respect to that year. Much litigation is occasioned by the artificial barrier thus thrown up by the statute of limitations, as a taxpayer who chose 1 year only to be met with the claim that an earlier but barred year was the correct year must battle to defend his choice or lose the deduction entirely. It is believed that this useless litigation and many of the difficulties in this field can be avoided by, first, eliminating the ascertainment of worthlessness and the charge-off requirement in the case of bad debts (including securities producing capital losses); and, second, allowing a 7-year statute of limitations with respect to refund claims relating to a deduction on account of these items. Interest should not be allowed for the interval between the expiration of the normal statute of limitations and 6 months after the claim was filed.

(*d*) *Mutual investment companies.*—The Revenue Act of 1936 provided that mutual investment companies meeting certain standards prescribed in that act

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were to be taxed only on the income which they did not distribute to their shareholders. This provision in substantially the same form is now contained in the Internal Revenue Code. Since the passage of the Revenue Act of 1936, the Securities and Exchange Commission has given intensive study to the question of investment trusts, and its work has resulted in the Investment Company Act of 1940. This act provides for the classification and regulation of investment companies by the Securities and Exchange Commission. In the Excess Profits Tax Act of 1940 recognition was given to these developments through a provision which exempted from the excess profits tax not only those investment companies which met the special standards set forth in the Internal Revenue Code, but also those companies which were registered as diversified companies under the Investment Company Act.

It is believed that the different classifications in the income tax and the excess profits tax should be harmonized with the Investment Company Act as far as is feasible. It is therefore suggested that the special treatment under the income tax and the exemption from the excess profits tax be allowed to those mutual investment companies which (1) qualify under the Investment Company Act as diversified companies; (2) derive at least 90 percent of their gross income from dividends, interest and gains from the sale or other disposition of stock or securities; (3) do not derive 30 percent or more of their gross income from the sale or other disposition of stock or securities held for less than 3 months; and (4) as respects the income tax, but not the excess profits tax, distribute to shareholders as taxable dividends not less than 90 percent of their net income, exclusive of short- and long-term capital gains.

(*e*) *Interim reports under last-in first-out inventory method.*—The provisions permitting a taxpayer to use the last-in first-out inventory method at present require that for the year of change, as well as any year thereafter, the taxpayer shall not use any other method of inventorying to ascertain profit or loss for the purpose of reports to shareholders or creditors. This requirement applies alike to annual reports and interim reports. Taxpayers who were using the first-in first-out method in 1941 may in some cases have found it desirable as a protection against price rises and inflated inventories to change to the last-in first-out method for that year. If such taxpayers, however, had issued interim reports in 1941 on the first-in first-out method, they would be prevented from making the change until 1942, at which time the protection afforded by the change might be greatly diminished. As the interim report requirement serves no real purpose and operates to discriminate unfairly between taxpayers who follow the practice of issuing interim reports and those who do not, it is suggested that the requirement be eliminated, and that the elimination be made retroactive to 1941.

(*f*) *Compensation for services rendered over a period of 5 years or more.*—Taxpayers receiving compensation for services rendered over a period of 5 years or more are permitted to treat the compensation as having been received over the years of service if not less than 95 percent of the compensation is paid upon completion of the services. This provision has been construed to require that the services extend over at least 5 calendar years, so that services rendered over a period as long as 70 months but not covering 5 calendar years would not be within the provision. A more sensible result would obtain if the period were changed to 60 calendar months and the allocation made on a monthly basis. At the same time consideration might be given to reducing the percentage requirement. It is suggested that if these changes be adopted they be made retroactive to 1941.

B. ESTATE TAXES

(*a*) *Pledges to charity.*—Under present law pledges to charity which are enforceable against a decedent's estate are not deductible unless they are supported by a commensurate monetary consideration. Thus pledges are not deductible even though there are expenditures and commitments by the charitable organization in reliance upon the decedent's pledge. This produces an inequitable result, since the executor must satisfy the pledge but the amount so paid does not serve to reduce the estate subject to tax. The statute should therefore be amended to allow a deduction for payments of pledges or subscriptions made by the decedent and enforceable against his estate.

(*b*) *Credit for State death taxes.*—Existing law allows a credit for State death taxes against the basic estate tax. If the decedent has made gifts during his lifetime which are subject to the estate tax, a credit against the estate tax is allowed for the gift tax paid with respect to such gifts. This allowance of gift tax credit may have the effect, however, of diminishing the allowance of the State death tax credit. This results from the fact that the State death tax credit is

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computed after the allowance of gift tax credit. It is recommended that the order of credits be reversed, so that the credit for local death taxes would be allowed prior to the credit for gift taxes.

(c) *Federal apportionment statute.*—At the present time there is no provision apportioning the estate tax liability among the beneficiaries of the estate other than a provision relating to life insurance. There is no sound basis for having an express provision apportioning liability in regard to life insurance without similar provisions covering other transfers subject to the estate tax. It is therefore suggested that there be incorporated in the estate tax an apportionment provision which would apportion the liability for tax in those cases in which the decedent did not himself prescribe a method of apportionment.

IX. Procedural Provisions

At this point I should like to mention two important procedural changes which we are suggesting.

(a) *Suits against collectors of internal revenue.*—At the present time the legal avenues available to a taxpayer desiring to sue for a tax refund present alternatives which serve only to create confusion and unnecessary litigation. A taxpayer may in some instances either sue the United States in a district court or the court of claims, or sue a collector of internal revenue in a district court. The action against the collector has been fittingly described by the Supreme Court as an "anomalous relic of bygone modes of thought." This antiquated procedure has no present justification, for the alternative procedures afford adequate remedies. The right to sue the collector tends to prolong tax controversies, since a taxpayer may first sue the collector and then if he is defeated sue the United States all over again on what is in effect the same cause of action. It is suggested that this situation be remedied by the elimination of suits against the collector.

(b) *Refund jurisdiction on Board of Tax Appeals.*—The jurisdiction of the Board of Tax Appeals is limited to proceedings arising under a deficiency letter issued by the Commissioner. While the Board has authority to find an overpayment in certain cases, it does not possess any general authority to hear refund claims. The Board is a tribunal specially skilled in tax matters and there is no sound reason for denying to taxpayers the opportunity to present their refund claims to such a forum. As the great bulk of tax cases are at present tried before the Board of Tax Appeals, the addition of refund jurisdiction will not unduly burden the Board. It is therefore suggested that an appropriate procedure be devised under which the Board may hear refund cases if the taxpayer desires to utilize that forum instead of the district courts or the court of claims.

The matters which I have discussed do not exhaust all of the changes which we believe should be presented to the committee. There are a number of minor technical matters which do not merit enumeration at this time. In addition there are other matters which we are still studying and with respect to which we may be able to present our views to the committee at a later date.

Exhibit 80

Statement of Secretary Morgenthau before the Senate Finance Committee, July 23, 1942, in support of the Treasury's program for additional revenue

You will recall that in his Budget Message of January 5, President Roosevelt asked for additional taxes for the fiscal year 1943, exclusive of social security taxes, of $7 billion. On March 3, I appeared before the Committee on Ways and Means of the House and presented recommendations for a tax program to produce $7,600 million in additional annual revenue from taxes. On May 6, I wrote a letter to the Chairman of the Committee on Ways and Means recommending a reduction in personal income tax exemptions to produce approximately $1,100 million more revenue. These two recommendations together involved a tax program of $8,700 million of additional revenue. These amounts represented what I believed, and still believe, was the very least that the American people could afford to provide.

It is only against the background of our war expenditures that we can tell whether the revenue bill before you will fulfill its purpose. We are now spending $150 million a day, or almost $5 billion a month. In the fiscal year that is beginning we expect to spend the almost inconceivable sum of $77 billion to win this war for human freedom.

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There can be no compromise with these war expenditures. We would not reduce them if we could. Our whole effort must be to translate our spending as fast and as effectively as possible in the actual production and use of our war materials. If our expenditures this year reach $77 billion, our receipts in revenue from the people must bear some reasonable relationship to that colossal figure. If the House bill were to become law it would be necessary to borrow from the public during this fiscal year about $53 billion. To the extent that we enlist our current income in taxes to cut down this borrowing, we shall be protecting the future economic soundness of our country and our free institutions. To the extent that we fail, we shall be endangering the survival of all that we are fighting to preserve.

It is interesting to remember that only two years ago, in the fiscal year 1941, we were devoting only about 7 percent of our national income to defense expenditures. In the present fiscal year we shall be spending about half of our national income on the war. Thanks to the foresight of President Roosevelt and the splendid cooperation of Congress, we expect to devote to the war effort in our first complete fiscal year of war a proportion of our national income roughly comparable to the proportion being spent by Canada and approaching that being spent in Great Britain.

We get a different picture, however, if we look at the percent of expenditures financed through taxes in the three countries. In the fiscal year 1941 Canada financed about 70 percent of all its expenditures by taxation, and in the fiscal year 1943 it expects to raise about 55 percent from taxes. The United Kingdom, in the fiscal year 1941, financed 44 percent of all its expenditures by taxation, and in the fiscal year 1943 it expects to raise 53 percent from taxes. In the United States, however, including Federal, State, and local governments, only 37 percent of all fiscal 1943 Government expenditures would be financed by taxation on the basis of the revenue bill now before you. It is clear that we are substantially behind Great Britain and Canada in the proportion of our expenditures which we are raising from taxes. Quite frankly, I do not see why we should not do at least as well as Great Britain and Canada.

TAXATION AND THE COST OF LIVING

Taxation does more than supply money to finance the war. It does more than apportion the war burden now, once and for all, instead of leaving it for further distribution through taxes after the war. Wartime taxation also plays an important part in preventing rapid and continued increases in the cost of living. The President has announced a seven-point program for holding down the cost of living. Ceilings have been placed on prices. This fact may have caused many people to be unduly optimistic about the future of the cost of living. It cannot be too strongly emphasized that if the price ceilings are to be maintained and rapid and continuous price rises avoided, the pressure of the large and expanding volume of consumer purchasing power on the diminishing supply of goods must be reduced.

To reach a much larger volume of consumer purchasing power, the bill now before you includes such a broad reduction of personal exemptions that it will affect almost seven million individuals who have never paid direct taxes to the Federal Government before. If this section of the bill is passed as it stands, some thirty-one million income tax returns will be filed in 1943 as against only 7,700,000 in 1940. For the first time in our history the income tax is becoming a people's tax.

Taxes cannot, by themselves, win the battle against inflation. The battle must be fought with determined and coordinated effort on many fronts. Taxation can be fully effective in this battle only if it is accompanied by restraint and self-denial in other fields. Nevertheless, taxation by itself can make the price situation more controllable and less dangerous than it otherwise would be, and it is an essential anti-inflationary weapon that must be used to the utmost. Inflation has been well described as "the ruthless process whereby sacrifice is imposed inequitably upon a people who have lacked the unity, the courage and intelligence to impose that sacrifice equitably upon themselves." It is for us to show that we have the unity, the courage, and the intelligence to check inflation now.

TREASURY PROGRAM A MINIMUM PROGRAM

The Administration's revenue program was presented last spring as a minimum. On March 3, when I first came before the Ways and Means Committee, our total contemplated expenditures for the fiscal year 1943 were $63 billion. Since then

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they have risen by $14 billion, and the total war appropriations, authorizations and requests for this and succeeding fiscal years have risen by $75 billion. It is true that the bill before you would produce by far the greatest revenues in our history, and I would not wish for one moment to minimize the task performed by the Ways and Means Committee. Yet this bill would provide only $6.3 billion additional revenue in place of the $8.7 billion we recommended in the spring. It would fail by about $2.4 billion to reach that minimum of last spring, which is even more emphatically the very least we can afford to provide today.

In presenting its revenue program to the Committee on Ways and Means, the Treasury outlined methods of taxation which it considered most desirable and appropriate to raise the required amounts. I still believe that these proposals are sound and present the best sources for a revenue program of this size. They are based upon the principle of ability to pay, and they avoid such devices as a general sales tax, which would fall with the greatest impact upon those least able to bear the burden. The various provisions of the Administration program are well known and it is not necessary to repeat them here. I should like, however, to emphasize certain points which I hope will be most carefully considered by the Committee.

1. *Special privileges.*—The revenue bill as it stands violates the basic principle of equity which is so important to an all-out war finance program. It does this by leaving certain highly privileged groups free from tax on large portions of their income.

The first of these especially favored groups are the recipients of tax-free interest from State and municipal securities. Exemption of interest on State and local securities is a serious breach in our system of taxing according to ability to pay. For example, in the case of one individual, out of a total reported income of approximately $975,000, over $668,000 came from State and local securities. If the bill as it passed the House should become law, this individual would pay only $243,000; if, on the other hand, your Committee would adopt my suggestion and remove this pre-Pearl Harbor exemption, he would pay $832,000. Let me put the illustration another way. If this exemption is retained he would have $732,000 left after taxes; if it is abolished, he would have $143,000 left.

The glaring unfairness of this exemption may be seen in another way. Under the tax rates in the House bill, a person with a surtax income of $100,000 from other sources who holds a 3 percent tax exempt security receives as much net return after taxes as from a taxable security yielding 20 percent. The existence of this special privilege for all holders of tax-free securities costs the Government and the people of the United States, under the House rates of tax, about $200 million a year; and it will cost still more as our wartime taxes tempt more and more wealthy individuals to shift their investments into hide-out of tax exempt securities.

How can we expect to obtain an all-out war effort from all our people if we go on permitting a group of individuals and corporations owning $14 billion of State and local securities to go tax free on the income from these securities? We are asking our young men to give their lives for their country, and at the same time we are allowing many wealthy persons, safe behind the lines, to escape their fair share of the war's financial burden. At a time when we are straining our energies to the utmost to defeat a powerful and ruthless foe, common decency requires that we abolish these special tax shelters, and do it now.

Another highly privileged group having large amounts of income exempt from income tax are the owners of oil wells and mines. I refer to those provisions of the law dealing with percentage depletion. Percentage depletion is a serious breach in our system of taxation according to ability to pay.

I cannot believe that the taxpayers of America would knowingly sanction a provision of the law which allows owners of oil and gas wells to deduct from their income 27½ percent of their gross receipts from such wells—not for 1 year, 2 years, or the period necessary to return investment, but for an unlimited period. For example, a leading oil company owned a number of oil properties which had cost it $3 million. At the time the case was examined percentage depletion of $3.6 million had already been allowed and the properties still had three-fourths of the oil left.

Certainly we cannot justify this exemption on the ground that it encourages exploration and drilling for oil. There is grave doubt that it has a substantial effect on oil discovery. It would have cost the Federal Government about one-third as much to have paid all the cost of every wild-cat well that was drilled in 1941 as to have allowed percentage depletion and the associated intangible drilling expenses. The annual cost of these allowances under the proposed rates would be about $200 million.

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The privilege of filing separate income tax returns furnishes another example of special tax advantage to many married couples having larger than ordinary incomes. In families in which the income is earned partly by the husband and partly by the wife and in families in which income earning property can be divided between husband and wife, the tax on the family income is less than where the husband or wife receives the whole income. The family is the true economic unit, and it is unfair for the amount of tax on the family to vary depending upon who earns the income or upon who in the family has income producing property. Ability to pay taxes must be judged in terms of family incomes and not the incomes of members of the family. The failure to require joint income tax returns constitutes a violation of the fundamental principle upon which our tax system has been based.

The adoption of mandatory joint returns would also eliminate another discrimination prevailing under existing law. Married couples living in the eight so-called community property States receive tax advantages which are in no way commensurate with any special relationship that may exist between husbands and wives in those States. For example, take a family in which the husband has a salary of $10,000 after deductions. If the family has its residence in, say, California, and filed community property returns, the family tax would be $1,788, while if the family lives in, say, Iowa, the tax would be $2,152, or over 20 percent more. The discrimination is even more pronounced with larger incomes. In this national emergency, how can we complacently permit the citizens of these community property States a more favorable tax status than those of the rest of the country?

These examples of special privileges are intolerable at a time like this, when we are imposing heavy taxes on persons with small incomes and there is pressure for limiting wages and farm prices. The country is in greater danger today than ever before in its history. The war is now in its most critical phase, and only by pulling together as a united people can we make the effort that will turn the tide toward victory. At such a time any special privilege for any group not only deprives the Treasury of revenue that is badly needed for the war effort, but it hinders the war effort by undermining the morale without which the war cannot be won.

2. *Excess profits tax.*—Another similar hindrance to the prosecution of this "people's war" is the existence of excessive profits in wartime. There is no easier way to stir the righteous anger of the American people than to let them hear constantly of excessive wartime profits that are not being recovered by adequate taxation. I have said repeatedly that we are determined to take the profit out of war, and the Treasury's recommendations have been framed with this determination in mind.

An effective excess profits tax does much more than produce badly needed revenue in time of war. It also reassures the masses of our farmers and factory workers that industry is not being rewarded unduly for its part in the winning of the war.

I do not believe that any patriotic American needs the "incentive" of profits to produce for war at this time. Millions of our people are willing to pay new and genuinely burdensome taxes, to buy war bonds without stint, and to do without many of the accustomed luxuries and even conveniences of daily life. Their only "incentive" is their firm resolve to win this war and build a better future.

Experience has shown, however, that when excess profits taxes are too high they may result in extravagance and waste in the conduct of business. It is vitally important that we stimulate business to produce for war purposes as economically and efficiently as possible, if for no other reason than to avoid a waste of war materials and labor and to hold down the cost of the war to the Government. Moreover, a post-war credit to industry will help toward the rebuilding of our economic life. For these reasons we have recommended a 90 percent excess profits tax coupled with a 10 percent credit for return to the corporation after the war. The credit should, of course, be restricted in such a manner that it would be used for the direct employment of labor, the conversion of plant to peacetime business or for other uses promoting economic adjustment and growth.

3. *Tax on freight and express.*—One tax that would be imposed by the bill before you directly threatens the stability of prices. This is the tax on freight and express which would add to the cost of producing and supplying practically every commodity and service. In great numbers of cases the added cost would make it impossible for businesses to continue to operate under the price ceilings which have been imposed and the breaches in the price ceilings which would thereby be caused would threaten the whole price structure.

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Conclusion.—I shall not attempt today to discuss the more technical aspects of the long and complex bill before you, nor to enlarge further upon the subjects I have mentioned already. The Treasury staff stands ready, as always, to assist you in every way possible in carrying out your difficult and responsible task. I should like, however, to make just one more appeal. Every day consumed in your Committee's work will lose us substantial amounts of revenue under the excise tax portions of the bill. Every day that can be saved in enacting this bill will enable it to produce just so much more in needed revenue. Every day saved will give our citizens additional time to adjust themselves to the impact of the most severe tax bill in all our history.

I am discussing our tax problem with you today on broader grounds than that of revenue alone. It is my conviction that the people of this country want a courageous tax bill, and want it with the least possible delay. They are ready for greater sacrifices than some of us imagine. The overwhelming majority of them, I am convinced, want us in Washington to show a determination that is worthy of their own. They will be critical of us only if we seem to palter or haggle, or if we pay too much attention to the demands of selfish groups, or if we seem half-hearted in asking self-denial of the people as a whole.

Our acceptance of sacrifice on the home front is a yardstick of our determination to win the war. For this reason it is unthinkable to me that we should be straining every effort on the fighting fronts abroad and on the production line at home, and at the same time be anything less than all-out in the financing of the war effort. This war, above all others, can be won only by hard fighting, by the acceptance of risks and deprivations, and by the united effort of civilians and fighting men alike. In this kind of war a tax bill can be a decisive battle. It could be lost by narrow vision and faulty leadership. It can be won by boldness and courage. I am confident that this Committee will live up to its high responsibilities and keep faith with a united people.

Exhibit 81

Statement of Secretary Morgenthau before the Senate Finance Committee, September 3, 1942, proposing a spendings tax and a further lowering of personal exemptions under the individual income tax

I have come before you today with a program to raise substantial additional sums to finance the war effort. I intend to leave the details of the presentation to Mr. Paul and his associates and to limit myself to emphasizing the gravity of the situation as I see it and the imperative need for legislation along the lines we are suggesting.

Up to this point our huge war expenditures have been financed in an orderly way and with a minimum of inflationary effects. But the more successful the war production program becomes, the greater are the dimensions of the fiscal problem we have to face. We have to plan for expenditures of $80 billion in the present fiscal year, while the revenue in sight on the basis of the tax bill now before you is only approximately $24 billions.

The Treasury has diligently sought and will continue to seek funds from those sources where borrowing will have the least inflationary effect, and we have done so with what I believe to be most gratifying results. We can foresee with confidence provision for the Government's fiscal needs for the remainder of this calendar year.

But I am here today to tell you frankly that I need your help in the form of legislation which will enable me to meet, with the same degree of confidence, the much greater problem of raising the necessary funds for next year.

The legislation which we are proposing has a double purpose. The first purpose is to draw into the Treasury substantial additional funds out of the earnings and savings of the people. The second purpose is even more important. It is to reduce consumer spending directly by withdrawing funds otherwise available for expenditure, and to reduce it also indirectly by creating a strong tax incentive to saving.

The measures we propose are two: First, a tax on consumer spending which will reach into the lowest income groups above the level of bare subsistence income and will provide high penalty rates for luxury spending; second, a further lowering of the exemptions from the income tax applying to family income.

The two proposals will reach into incomes aggregating some 65 billions of dollars and will draw into the Treasury an estimated 6½ billion dollars otherwise

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available for consumer spending. But of this total some $4½ billions, although raised as a tax, will be treated not as revenue but as a debt to the individuals from whom it was collected, to be repaid after the war.

Revenue is not the sole purpose, not even the primary purpose, of either of these proposals. Their main purpose is to restrict consumer spending so that, as far as possible through fiscal means, we may avoid the perils of inflation in the huge financing program that we have ahead of us.

It can be expected that the new spending tax will reduce in many individual cases the amounts which workers can afford to set aside for war bonds under voluntary payroll deduction plans. In the face of present conditions we can no longer afford to rely entirely upon voluntary lending. The new proposals are intended, therefore, to supplement the voluntary bond purchase program.

It is my belief that the voluntary war bond program has produced and will continue to produce a great contribution to the Nation's war effort. This is due to the unselfish service that hundreds of thousands of men and women throughout the country have given it. They deserve the thanks of the Nation for the magnificent work they have done, are doing, and will, I hope, go on doing, in encouraging the American people to put their dollars to work for their country. The voluntary war bond program will, of course, be continued.

Our present and urgent problem is to borrow the great amounts that will be needed to finance the war effort in ways that will not contribute to inflation. Inflationary pressure is created by consumer demand exceeding the supply of goods available. The Treasury is seeking in these proposals to attack the problem at its roots and to attack it drastically.

The control of prices is of course not exclusively a fiscal problem. But with full allowance for all that can be done through price regulation, rationing and other devices to control supply, I think that we, who are jointly responsible for tax policy and legislation, shall be doing very much less than our full duty if we do not deal with the problem as effectively as possible in the fiscal field. What I have presented is a method—and the best method the Treasury has been able to devise—for accomplishing this result.

If the proposals we make seem drastic, I should like to say with all possible emphasis that I believe nothing less drastic will accomplish the results we must have. This is no time for half-way measures.

With the fullest respect for the Committee on Finance, but with a strong sense of our joint responsibility in these critical times, I do not merely recommend bold action along these lines; I request it and I urge it most seriously, and with the profound conviction that it must be done.

Exhibit 82

Statement of Randolph E. Paul, General Counsel for the Treasury Department, before the Senate Finance Committee, September 3, 1942, in support of the spendings tax and other Treasury proposals

In his statement Secretary Morgenthau emphasized the need for additional taxes to increase Treasury receipts out of current income by an amount far in excess of his previous recommendations and to exercise a strong restraining influence on consumer spending in order to furnish an effective weapon for combating inflationary increases in prices.

The Secretary has indicated the broad outlines of the Treasury's recommendations. It is my purpose to discuss these recommendations in detail. The proposed spendings tax is in two parts—a flat rate tax to be refunded after the war, and a progressive surtax.

THE REFUNDABLE PART OF THE SPENDINGS TAX

The refundable part of the spendings tax would be imposed at a flat rate of 10 percent on the total spendings of individuals for consumer goods and services. In general, it would apply to all individuals who had income subject to the individual income tax, and also to individuals subject to the spendings surtax whether or not they had income subject to the income tax.

It is suggested that single persons be entirely outside the scope of the tax only if their income is less than $500, and married couples only if their income is less than $1,000. The exclusion would be increased by an additional $250 for each dependent. The test for determining liability to file a refundable spendings tax return would therefore be stated in terms of income, even though the tax itself

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would be assessed on the basis of spendings. The reason for using the income test is to facilitate the administration of the refundable spendings tax by collecting it in conjunction with the individual income tax.

Tax base.—The tax would be levied on total spendings of persons filing returns and reporting total spendings in excess of $500 for a single person, $1,000 for a married couple, and an additional $250 for each dependent. The tax would be imposed on the taxpayer's total spendings, not merely on that part of his spendings above these amounts.

The amount of spendings would be computed indirectly. From the total amount of funds at the disposal of the taxpayer, derived either from current income or by drawing on capital, there would be subtracted the amount of savings. "Savings" would be defined to include, chiefly, repayment of debt, premiums paid on life insurance, expenditures for the purchase of bonds or other capital assets, gifts and contributions, payment of taxes and increases in bank balances. The items needed to determine the tax base are shown in the attached schedule (exhibit A).

Method of collection.—The refundable part of the spendings tax would be collected in the same manner and at the same time as the individual income tax. A tentative tax would be collected at source on wages, salaries, and dividends in the same manner as it is proposed to collect part of the regular income tax. A spendings tax return would be made part of the annual income tax return. The amount of spendings and the tax thereon would also be computed on the same return. The total of the income tax and the spendings tax payable would be ascertained by deducting the income tax and the spendings tax already collected at source. If the amount collected at source exceeded the combined tax liability, the excess would be promptly repaid to the taxpayer.

Short income and spendings tax form.—The great majority of taxpayers would be eligible to file a simplified refundable spendings tax return which would be a supplementary part of their simplified income tax return.

Tax rate and amount of tax.—The refundable part of the spendings tax would be levied at a rate of 10 percent on the taxpayer's total spendings. An individual with an income of $5,000, for example, who spent $3,200, would pay a tax of $320. If he increased his savings and spent only $2,400, the tax liability would be reduced to $240.

Special provision would be required to avoid large differences between the tax on persons just below and just above the exclusion limits—that is, the limits at which the tax becomes applicable. For a single person without dependents, for instance, the exclusion amount is $500. Those with spendings in excess of $500 would be liable to a tax of 10 percent on all their spendings. In some cases, in the absence of a special provision, the tax would be greater than the excess of their spendings over the exclusion limits. An individual spending $510, for example, would be subject to a tax of $51, whereas if he spent only $500, he would not be subject to tax. To provide for a gradual transition between nontaxable and taxable individuals, it is proposed that the tax on persons just above the exclusion limits shall not exceed the excess of their spendings over the exclusion limits. In the illustration cited, the tax on the single individual spending $510 would be $10.

Refundiag of spendings tax.—It is suggested that this flat-rate spendings tax be made refundable without interest after the war. The amount collected in the first year of operation of the tax might be refunded in the first year following the close of the war; the amount collected in the second year might be refunded in the second year following the close of the war; and so on. It might also be desirable to provide for earlier refunding after the close of the war at the discretion of the Secretary of the Treasury. Provision should in any event be made for the earlier refunding of the tax even prior to the close of the war in cases of proven distress.

The Treasury proposes that the entire amount of the flat-rate tax be refunded. However, if the committee should desire to do so, it is technically feasible to refund the entire tax only to the lower income groups.

The Individual Spendings Surtax

I turn now to a discussion of the second part of the spendings tax, the spendings surtax. This tax would be imposed at progressive rates on expenditures in excess of an exemption of $1,000 for a single person, $2,000 for a married couple, and an additional $500 for each dependent. In contrast to the exclusions under the flat-rate tax, these exemptions provide a minimum of spendings that is free from surtax for everyone, regardless of the total amount spent.

The spendings would be calculated in the same manner as in the case of the refundable spendings tax—that is, they would not include such items as debt

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repayment, insurance premiums and bond purchases—except that you may want to consider allowing some extraordinary expenditures also to be deducted.

Method of collection.—The tax would be collected currently by requiring individuals to report the approximate amount of spending at short intervals, say quarterly, with a final adjustment after the close of the year. The quarterly report might contain no more than a single item—the approximate amount of spending during the preceding quarter.

Tax rates.—The tax rates would be progressive. The following surtax rate schedule is suggested:

Spendings	Tax rate	Spendings	Tax rate
	Percent		*Percent*
$0 to $1,000	10	$3,000 to $5,000	40
$1,000 to $2,000	20	$5,000 to $10,000	50
$2,000 to $3,000	30	Over $10,000	75

This schedule would apply to a single person in the usual manner. However, direct application of this progressive spendings tax schedule to a family as a unit would be unduly harsh on large families and would favor single persons. This follows from the fact that the larger the family, the greater is the necessary amount of spendings and the higher the rate at which the spendings would be taxed. This difficulty can be overcome by putting the family's tax on a per capita basis. The family's total spendings would be divided by the number of persons in the family. The progressive rate schedule would then be applied to the resulting per capita spendings. The per capita tax computed in this way would be multiplied by the number of persons in the family to get the total family tax. For this purpose, a dependent child would be counted as equivalent to one-half a person.

For example, a married couple with one dependent would comprise 2.5 taxable persons. If this family spent $5,000, spendings in excess of the exemption of $2,500 would be $2,500 or $1,000 per taxable person. According to the above rate schedule, the surtax would be $100 per person, or $250 for the family (2.5 times $100). Married couples would be permitted to file either joint returns or separate returns, since discrimination would be avoided by the method of computing spendings per taxable person. The amounts and effective rates of tax under the above rate schedules are shown in exhibits B, C, D, and E.

Effective date of surtax.—The spendings surtax should be made effective as of September 1, 1942. It is essential that this be done in order to prevent large scale buying and hoarding of consumers' goods in anticipation of the enactment of the spendings tax. In addition, unless the spendings tax is made effective as of the date on which it is announced, individuals would be given an opportunity to convert their bank deposits into currency, hoping thereby to set aside spendable funds upon which an adequate check could not be made. These and similar dangers can be prevented only by making the spendings surtax effective as of September 1, 1942. The corresponding difficulties are not of great importance with respect to the refundable part of the spendings tax and this could go into effect January 1, 1943.

Reduction of Exemptions for the Regular Income Tax

In addition to the spendings tax, the Treasury recommends a reduction in the personal exemptions under the individual income tax.

The exclusions of $500, $1,000, and $250 for the refundable spendings tax are believed to be desirable in order that a very large volume of consumer spendings may be brought into the tax base. For purposes of simplicity the income tax exemptions and the refundable spendings tax exclusions should be the same amounts of income. Accordingly, it is suggested that the personal income tax exemptions be lowered to $500 for single persons, $1,000 for married couples, and $250 for each dependent. This step will need to be taken in any event as the impact of the war increases. It represents a $200 reduction in a married couple's exemption and a $50 reduction in the amount of the dependent credit, from the exemptions tentatively adopted by your committee.

The proposal would increase the number of taxpayers to some five million above the estimated number under the exemptions tentatively adopted by your committee. Under the rates of H. R. 7378, the lowering of exemptions would increase

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the tax liability of a married person without dependents having an income of $2,000 from $140 to $178; for one with an income of $10,000 from $2,152 to $2,220. A married person with two dependents having an income of $2,000 would pay a tax of $83, whereas with the exemptions under H. R. 7378, he would pay no tax. For a $10,000 income, the tax liability would be increased from $1,880 to $2,050. The amounts of tax and the effective rates for taxpayers with selected net incomes under present law, under the rates of H. R. 7378, with the proposed lowered exemptions, are shown in exhibits F, G, H, and I.

The proposed reductions in personal exemptions and credit for dependents will increase substantially the tax load of those in the lowest taxable income groups and you may want to consider revising the surtax rate schedule to reduce the impact on these groups. We should be glad to submit such schedules for your consideration.

Effect of the Treasury Program

The total yield of the proposed program at 1942 levels of income is estimated to be 6.5 billion dollars. Of this amount, 4.5 billion dollars would be refundable to taxpayers after the war.

Examples illustrating the combined effects of the refundable part of the spendings tax, the spendings surtax and the reduced individual income tax exemptions for individuals with selected amounts of income are shown in exhibits J through N. For example, a married couple with two dependents having an income of $5,000 would have an income-tax liability of $680. If their spendings amount to $3,800 the spendings surtax would be $80 and the refundable spendings tax, $380. If their spendings were only $3,100 the spendings surtax would be reduced to $10 and the refundable spendings tax to $310. Their combined tax would be $1,140 in the first case and $1,000 in the second case. Of these amounts, however, $380 or $310, respectively, would be refunded after the war.

Effect of the Treasury Proposals on the Anti-Inflation Program

The spendings tax will raise very substantial amounts of revenue and will accordingly be valuable in financing the war. More important, it will be particularly helpful as an anti-inflation measure in two ways: (1) By withdrawing consumer purchasing power and thus reducing the demand for goods, and (2) by creating an obstacle to spending, thus checking spending and encouraging saving. Because it will apply only to individual spendings and not to business spendings, it will not interfere with price ceilings. On the contrary, it will greatly facilitate the exercise of direct price controls, rationing, and other methods of combating inflation.

The refundable part of the spendings tax and the spendings surtax differ in the emphasis placed on these two methods of reducing spending. The refundable tax, applying to the bulk of total individual spending at a 10-percent rate, will be effective primarily by withdrawing purchasing power. The spendings surtax, on the other hand, is intended primarily to discourage spending directly, rather than to absorb large amounts of purchasing power. For this reason it is imposed only on spending above a fairly adequate living level, but at increasingly heavy rates. Insofar as spendings are not checked, the tax will bring substantial payments into the Treasury; insofar as they are checked, inflationary pressure on the price level will be reduced.

For these reasons, these taxes should provide a powerful instrument for combating inflation. Moreover, they provide an adjustable instrument which, once put in operation, can be increased or decreased as the current economic situation requires.

Like any new tax, and perhaps more than some taxes, a spendings tax necessarily involves administrative and compliance problems. These problems are reduced by the fact that a spendings tax can be administered in conjunction with the individual income tax. As a consequence, the refundable tax will require no additional returns, and the collection of the refundable tax at source will impose no additional burden on either withholding agents or the Bureau of Internal Revenue. Nevertheless, the spendings tax will create an administrative problem in checking on information not now required on income tax returns, in familiarizing the public with a new type of tax, and in helping the public to fill out the forms that they

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will be required to submit. Compared with other measures of like importance in meeting the inflation and revenue problems, the administrative difficulties should not prove disproportionately large. In time of war, administrative difficulties cannot be allowed to stand in the way of measures vital to the Nation's welfare.

EXHIBIT A.—*The individual spendings tax schedule*

[To be used by persons subject to the spendings surtax and by persons not eligible to use simplified income tax return. A simplified spendings tax schedule will be available to all other persons subject to the spendings tax]

FUNDS AT THE DISPOSAL OF THE INDIVIDUAL

1.	Salaries, wages, and other compensation for personal services	$
2.	Dividends and interest received, including government interest	
3.	Rents, royalties, annuities, pensions	
4.	Withdrawals from business, professions, partnerships, trusts	
5.	Cash receipts from gifts, bequests, and insurance	
6.	Receipts from sale of capital assets	
7.	Receipts from repayment of loans made to others	
8.	Receipts from borrowing, including debts incurred on installment purchases	
9.	Cash and bank balances at beginning of year	
10.	Other receipts	
11.	Total disposable funds (items 1 to 10)	$

DEDUCTIONS: NONTAXABLE USE OF FUNDS

12.	Cash and bank balances at end of year	$
13.	Cash gifts and contributions	
14.	Interest and taxes paid, except on owner-occupied homes	
15.	Expenditures on the purchase of capital assets	
16.	Life insurance premiums, annuity, and pension payment	
17.	Outlays for repayment of debt, including installment debt	
18.	Loans made to others	
19.	Other nontaxable disbursements	
20.	Total deductions (items 12 to 19)	$
21.	Expenditures subject to tax (item 11 minus item 20)	$

EXHIBIT B.—*Individual spendings surtax rates and amount of surtax*

Expenditure per taxable person	Surtax rate	Cumulative surtax per taxable person at upper limit of bracket	Expenditure per taxable person	Surtax rate	Cumulative surtax per taxable person at upper limit of bracket
	Percent			*Percent*	
$0 to $1,000	10	$100	$3,000 to $5,000	40	$1,400
$1,000 to $2,000	20	300	$5,000 to $10,000	50	3,900
$2,000 to $3,000	30	600	Over $10,000	75	

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EXHIBIT C.—*Refundable spendings tax and spendings surtax—amount of tax and tax as percent of spendings for single person with no dependents, exclusion for refundable tax $500 and exemption for surtax $1,000*

Total spendings before exemption	Amount of tax			Surtax as percent of spendings	Total tax as percent of spendings
	Refundable tax	Surtax	Total tax		
				Percent	*Percent*
$500					
$800	$80		$80		10.0
$1,000	100		100		10.0
$1,200	120	$20	140	1.7	11.7
$1,500	150	50	200	3.3	13.3
$2,000	200	100	300	5.0	15.0
$2,500	250	200	450	8.0	18.0
$3,000	300	300	600	10.0	20.0
$3,500	350	450	800	12.9	22.9
$4,000	400	600	1,000	15.0	25.0
$5,000	500	1,000	1,500	20.0	30.0
$6,000	600	1,400	2,000	23.3	33.3
$8,000	800	2,400	3,200	30.0	40.0
$10,000	1,000	3,400	4,400	34.0	44.0
$15,000	1,500	6,900	8,400	46.0	56.0
$20,000	2,000	10,650	12,650	53.3	63.3
$25,000	2,500	14,400	16,900	57.6	67.6
$50,000	5,000	33,150	38,150	66.3	76.3

EXHIBIT D.—*Refundable spendings tax and spendings surtax—amount of tax and tax as percent of spendings for married person with no dependents, exclusion for refundable tax $1,000 and exemption for surtax $2,000*

Total spendings before exemption	Amount of tax			Surtax as percent of spendings	Total tax as percent of spendings
	Refundable tax	Surtax	Total tax		
				Percent	*Percent*
$1,000					
$1,500	$150		$150		10.0
$2,000	200		200		10.0
$2,500	250	$50	300	2.0	12.0
$3,000	300	100	400	3.3	13.3
$3,500	350	150	500	4.3	14.3
$4,000	400	200	600	5.0	15.0
$5,000	500	400	900	8.0	18.0
$6,000	600	600	1,200	10.0	20.0
$8,000	800	1,200	2,000	15.0	25.0
$10,000	1,000	2,000	3,000	20.0	30.0
$15,000	1,500	4,300	5,800	28.7	38.7
$20,000	2,000	6,800	8,800	34.0	44.0
$25,000	2,500	10,050	12,550	40.2	50.2
$50,000	5,000	28,800	33,800	57.6	67.6

EXHIBIT E.—*Refundable spendings tax and spendings surtax—amount of tax and tax as percent of spendings for married person with two dependents, exclusion for refundable tax $1,500 and exemption for surtax $3,000*

Total spendings before exemption	Amount of tax			Surtax as percent of spendings	Total tax as percent of spendings
	Refundable tax	Surtax	Total tax		
				Percent	*Percent*
$1,500					
$2,000	$200		$200		10.0
$2,500	250		250		10.0
$3,000	300		300		10.0
$3,500	350	$50	400	1.4	11.4
$4,000	400	100	500	2.5	12.5
$5,000	500	200	700	4.0	14.0
$6,000	600	300	900	5.0	15.0
$8,000	800	700	1,500	8.8	18.8
$10,000	1,000	1,200	2,200	12.0	22.0
$15,000	1,500	3,000	4,500	20.0	30.0
$20,000	2,000	5,200	7,200	26.0	36.0
$25,000	2,500	7,700	10,200	30.8	40.8
$50,000	5,000	24,450	29,450	48.9	58.9

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EXHIBIT F.—*Comparison of individual surtax rate schedule under present law and H. R. 7378*

Surtax net income	Bracket rate		Total surtax cumulative	
	Present law	H. R. 7378	Present law	H. R. 7378
	Percent	*Percent*		
Not over $2,000	6	13	$120	$260
Over $2,000, not over $4,000	9	16	300	580
Over $4,000, not over $6,000	13	20	560	980
Over $6,000, not over $8,000	17	24	900	1,460
Over $8,000, not over $10,000	21	28	1,320	2,020
Over $10,000, not over $12,000	25	32	1,820	2,660
Over $12,000, not over $14,000	29	36	2,400	3,380
Over $14,000, not over $16,000	32	40	3,040	4,180
Over $16,000, not over $18,000	35	43	3,740	5,040
Over $18,000, not over $20,000	38	46	4,500	5,960
Over $20,000, not over $22,000	41	49	5,320	6,940
Over $22,000, not over $26,000	44	52	7,080	9,020
Over $26,000, not over $32,000	47	55	9,900	12,320
Over $32,000, not over $38,000	50	58	12,900	15,800
Over $38,000, not over $44,000	53	61	16,080	19,460
Over $44,000, not over $50,000	55	63	19,380	23,240
Over $50,000, not over $60,000	57	66	25,080	29,840
Over $60,000, not over $70,000	59	69	30,980	36,740
Over $70,000, not over $80,000	61	72	37,080	43,940
Over $80,000, not over $90,000	63	75	43,380	51,440
Over $90,000, not over $100,000	64	77	49,780	59,140
Over $100,000, not over $150,000	65	79	82,280	98,640
Over $150,000, not over $200,000	66	81	115,280	139,140
Over $200,000, not over $250,000	67	82	148,780	180,140
Over $250,000, not over $300,000	69	82	183,280	221,140
Over $300,000, not over $400,000	71	82	254,280	303,140
Over $400,000, not over $500,000	72	82	326,280	385,140
Over $500,000, not over $750,000	73	82	508,780	590,140
Over $750,000, not over $1,000,000	74	82	693,780	795,140
Over $1,000,000, not over $2,000,000	75	82	1,443,780	1,615,140
Over $2,000,000, not over $5,000,000	76	82	3,723,780	4,075,140
Over $5,000,000	77	82		

EXHIBIT G.—*Amount of individual income tax and effective rates under present law, H. R. 7378, and H. R. 7378 with lowered exemptions, for single person with no dependents; personal exemption under present law, $750, under H. R. 7378, $500, and under Treasury proposal, $500*

Net income before personal exemption [1]	Amount of tax			Effective rates		
	Present law	H. R. 7378	H. R. 7378 with lowered exemptions	Present law	H. R. 7378	H. R. 7378 with lowered exemptions
				Percent	*Percent*	*Percent*
$500						
$600		$15	$15		2.5	2.5
$700		34	34		4.9	4.9
$800	$3	52	52	0.4	6.5	6.5
$900	11	71	71	1.2	7.8	7.8
$1,000	21	89	89	2.1	8.9	8.9
$1,200	40	126	126	3.3	10.5	10.5
$1,500	69	181	181	4.6	12.1	12.1
$2,000	117	273	273	5.9	13.7	13.7
$2,500	165	365	365	6.6	14.6	14.6
$3,000	221	472	472	7.4	15.7	15.7
$4,000	347	686	686	8.7	17.2	17.2
$5,000	483	920	920	9.7	18.4	18.4
$6,000	649	1,174	1,174	10.8	19.6	19.6
$8,000	1,031	1,742	1,742	12.9	21.8	21.8
$10,000	1,493	2,390	2,390	14.9	23.9	23.9
$15,000	2,994	4,366	4,366	20.0	29.1	29.1
$20,000	4,929	6,816	6,816	24.6	34.1	34.1
$25,000	7,224	9,626	9,626	28.9	38.5	38.5
$50,000	20,882	25,811	25,811	41.8	51.6	51.6
$100,000	53,214	64,641	64,641	53.2	64.6	64.6
$500,000	345,654	414,616	414,616	69.1	82.9	82.9
$1,000,000	733,139	854,616	854,616	73.3	85.5	85.5
$5,000,000	3,923,124	4,374,616	4,374,616	78.5	87.5	87.5
Normal tax rate (percent)	4	6	6	4	6	6

[1] Maximum earned net income assumed.

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EXHIBIT H.—*Amount of individual income tax and effective rates under present law, H. R. 7378, and H. R. 7378 with lowered exemptions, for married person with no dependents; personal exemption under present law, $1,500, under H. R. 7378, $1,200, and under Treasury proposal, $1,000*

Net income before personal exemption [1]	Amount of tax			Effective rate		
	Present law	H. R. 7378	H. R. 7378 with lowered exemptions	Present law	H. R. 7378	H. R. 7378 with lowered exemptions
				Percent	*Percent*	*Percent*
$1,000						
$1,100			$13			1.2
$1,200			31			2.6
$1,300		$13	49		1.0	3.8
$1,400		30	68		2.1	4.9
$1,500		48	86		3.2	5.7
$1,600	$6	66	104	0.4	4.1	6.5
$1,800	23	103	141	1.3	5.7	7.8
$2,000	42	140	178	2.1	7.0	8.9
$2,500	90	232	270	3.6	9.3	10.8
$3,000	138	324	362	4.6	10.8	12.1
$4,000	249	532	576	6.2	13.3	14.4
$5,000	375	746	790	7.5	14.9	15.8
$6,000	521	992	1,044	8.7	16.5	17.4
$8,000	873	1,532	1,592	10.9	19.2	19.9
$10,000	1,305	2,152	2,220	13.1	21.5	22.2
$15,000	2,739	4,052	4,136	18.3	27.0	27.6
$20,000	4,614	6,452	6,556	23.1	32.3	32.8
$25,000	6,864	9,220	9,336	27.5	36.9	37.3
$50,000	20,439	25,328	25,466	40.9	50.7	50.9
$100,000	52,704	64,060	64,226	52.7	64.1	64.2
$500,000	345,084	414,000	414,176	69.0	82.8	82.8
$1,000,000	732,554	854,000	854,176	73.3	85.4	85.4
$5,000,000	3,922,524	4,374,000	4,374,176	78.5	87.5	87.5
Normal tax rate (percent)	4	6	6	4	6	

[1] Maximum earned net income assumed.

EXHIBIT I.—*Amount of individual income tax and effective rates under present law, H. R. 7378, and H. R. 7378 with lowered exemptions, for married person with two dependents; personal exemption under present law, $1,500, under H. R. 7378, $1,200, and under Treasury proposal, $1,000; dependent credit under present law, $400, under H. R. 7378, $400, and under Treasury proposal, $250*

Net income before personal exemption [1]	Amount of tax			Effective rate		
	Present law	H. R. 7378	H. R. 7378 with lowered exemptions	Present law	H. R. 7378	H. R. 7378 with lowered exemptions
				Percent	*Percent*	*Percent*
$1,500						
$1,600			$13			0.8
$1,700			28			1.6
$1,800			46			2.6
$1,900			65			3.4
$2,000			83			4.2
$2,100		$13	101		0.6	4.8
$2,200		26	120		1.2	5.5
$2,300		43	138		1.9	6.0
$2,400	$6	62	157	0.3	2.6	6.5
$2,500	12	80	175	0.5	3.2	7.0
$3,000	58	172	267	1.9	5.7	8.9
$4,000	154	356	466	3.9	8.9	11.7
$5,000	271	570	680	5.4	11.4	13.6
$6,000	397	784	914	6.6	13.1	15.2
$8,000	717	1,292	1,442	9.0	16.2	18.0
$10,000	1,117	1,880	2,050	11.2	18.8	20.5
$15,000	2,475	3,716	3,926	16.5	24.8	26.2
$20,000	4,287	6,036	6,296	21.4	30.2	31.5
$25,000	6,480	8,756	9,046	25.9	35.0	36.2
$50,000	19,967	24,776	25,121	39.9	49.6	50.2
$100,000	52,160	63,396	63,811	52.2	63.4	63.8
$500,000	344,476	413,296	413,736	68.9	82.7	82.7
$1,000,000	731,930	853,296	853,736	73.2	85.3	85.4
$5,000,000	3,921,884	4,373,296	4,373,736	78.4	87.5	87.5
Normal tax rate (percent)	4	6	6	4	6	6

[1] Maximum earned net income assumed.

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EXHIBIT J.—*Illustration of the combined effect of the income tax, spendings surtax, and refundable spendings tax on income of $2,500*

	Single person, no dependents		Married couple, no dependents		Married couple, 2 dependents	
Assumed spending on consumer goods and services	$1,700	$1,300	$1,900	$1,500	$2,100	$1,700
Income tax (H. R. 7378 with lowered exemptions) [1]	365	365	270	270	175	175
Spendings surtax	70	30				
Income tax and spendings surtax: Amount	435	395	270	270	175	175
As a percent of income	17.4%	15.8%	10.8%	10.8%	7.0%	7.0%
Refundable tax	$170	$130	$190	$150	$210	$170
Total, income tax, spendings surtax, and refundable tax: Amount	$605	$525	$460	$420	$385	$345
As a percent of income	24.2%	21.0%	18.4%	16.8%	15.4%	13.8%

[1] Exemptions: Single person, $500; married couple, $1,000; each dependent, $250.

EXHIBIT K.—*Illustration of the combined effect of the income tax, spendings surtax, and refundable spendings tax on income of $5,000*

	Single person, no dependents		Married couple, no dependents		Married couple, 2 dependents	
Assumed spending on consumer goods and services	$3,200	$2,500	$3,500	$2,800	$3,800	$3,100
Income tax (H. R. 7378 with lowered exemptions) [1]	920	920	790	790	680	680
Spendings surtax	360	200	150	80	80	10
Income tax and spendings surtax: Amount	1,280	1,120	940	870	760	690
As a percent of income	25.6%	22.4%	18.8%	17.4%	15.2%	13.8%
Refundable tax	$320	$250	$350	$280	$380	$310
Total, income tax, spendings surtax, and refundable tax: Amount	$1,600	$1,370	$1,290	$1,150	$1,140	$1,000
As a percent of income	32.0%	27.4%	25.8%	23.0%	22.8%	20.0%

[1] Exemptions: Single person, $500; married couple, $1,000; each dependent, $250.

EXHIBIT L.—*Illustration of the combined effect of the income tax, spendings surtax, and refundable spendings tax on income of $10,000*

	Single person, no dependents		Married couple, no dependents		Married couple, 2 dependents	
Assumed spending on consumer goods and services	$5,500	$4,000	$6,000	$4,500	$6,500	$5,000
Income tax (H. R. 7378 with lowered exemptions) [1]	2,390	2,390	2,220	2,220	2,050	2,050
Spendings surtax	1,200	600	600	300	400	200
Income tax and spendings surtax: Amount	3,590	2,990	2,820	2,520	2,450	2,250
As a percent of income	35.9%	29.9%	28.2%	25.2%	24.5%	22.5%
Refundable tax	$550	$400	$600	$450	$650	$500
Total, income tax, spendings surtax, and refundable tax: Amount	$4,140	$3,390	$3,420	$2,970	$3,100	$2,750
As a percent of income	41.4%	33.9%	34.2%	29.7%	31.0%	27.5%

[1] Exemptions: Single person, $500; married couple, $1,000; each dependent, $250.

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EXHIBIT M.—*Illustration of the combined effect of the income tax, spendings surtax, and refundable spendings tax on income of $25,000*

	Single person, no dependents		Married couple, no dependents		Married couple, 2 dependents	
Assumed spending on consumer goods and services	$10,000	$6,000	$11,000	$7,000	$12,000	$8,000
Income tax (H. R. 7378 with lowered exemptions) [1]	9,626	9,626	9,336	9,336	9,046	9,046
Spendings surtax	3,400	1,400	2,400	1,200	1,800	700
Income tax and spendings surtax: Amount	13,026	11,026	11,736	10,536	10,846	9,746
As a percent of income	52.1%	44.1%	46.9%	42.1%	43.4%	39.0%
Refundable tax	$1,000	$600	$1,100	$700	$1,200	$800
Total, income tax, spendings surtax, and refundable tax: Amount	$14,026	$11,626	$12,836	$11,236	$12,046	$10,546
As a percent of income	56.1%	46.5%	51.3%	44.9%	48.2%	42.2%

[1] Exemptions: Single person, $500; married couple, $1,000; each dependent, $250.

EXHIBIT N.—*Illustration of the combined effect of the income tax, spendings surtax, and refundable spendings tax on income of $100,000*

	Single person, no dependents		Married couple, no dependents		Married couple, 2 dependents	
Assumed spending on consumer goods and services	$16,000	$11,000	$18,000	$13,000	$20,000	$15,000
Income tax (H. R. 7378 with lowered exemptions) [1]	64,641	64,641	64,226	64,226	63,811	63,811
Spendings surtax	7,650	3,900	5,800	3,300	5,200	3,000
Income tax and spendings surtax: Amount	72,291	68,541	70,026	67,526	69,011	66,811
As a percent of income	72.3%	68.5%	70.0%	67.5%	69.0%	66.8%
Refundable tax	$1,600	$1,100	$1,800	$1,300	$2,000	$1,500
Total, income tax, spendings surtax, and refundable tax: Amount	$73,891	$69,641	$71,826	$68,826	$71,011	$68,311
As a percent of income	73.9%	69.6%	71.8%	68.8%	71.0%	68.3%

[1] Exemptions: Single person, $500; married couple, $1,000; each dependent, $250.

Exhibit 83

Statement of Randolph E. Paul, General Counsel for the Treasury Department, before the House Ways and Means Committee, February 2, 1943, on revision of income tax payment methods

I. INTRODUCTION

In response to the request of your committee, I am here to discuss the income tax payment problem. The problem of putting income taxes on a pay-as-you-go basis was emphasized by President Roosevelt in his recent Budget Message in connection with his request to Congress for 16 billion dollars of additional collections for the fiscal year 1944. It is my understanding that the committee desires at this time to consider the pay-as-you-go question, and my statement today will, therefore, be limited to this subject. It will not deal with other phases of our tax problem.

I should like to say in passing, however, that what the Congress does in solving the payment problem will have a direct bearing on the over-all revenue program. The method employed to put the income tax on a pay-as-you-go basis will directly affect the dollars-and-cents yield of the tax and the timing of the flow of revenue into the Treasury. Over-all revenue needs, therefore, should be kept clearly in mind in drawing up the specific provisions of a new income tax payment plan.

Owing to the great expansion of the individual income tax now taking place in response to war needs, the strengthening of our system of income-tax payment has become a first order of business. The 39 million individual taxpayers required to pay income taxes of almost 10 billion dollars for 1942 under the present law must be afforded a way of meeting their tax obligations with a maximum of convenience and a minimum of hardship. In addition, the Treasury should be

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protected from taxpayer delinquency and resultant loss of revenue. And, finally, the Government needs a flexible instrument of fiscal policy under which revenues will react speedily to changes in tax rates and exemptions and in the national income.

The Treasury Department and the Congress have been acutely aware of these needs. During the course of the revenue revision of 1942 there was general agreement that it would be highly desirable to put a substantial part of the income tax on a current basis by means of collection at source. The purpose of my statement today is to review the income tax payment problem and to analyze briefly methods which may be helpful in its solution.

II. Defects in Our Present System of Payment

The income tax is the most direct and equitable method of reaching taxpaying ability. Since it is, and must remain, the backbone of the Federal tax system, every attention should be given to improving its structure and application. For the great masses of taxpayers the present method of collecting the income-tax payment has the basic defect that tax payments are not synchronized with the receipt of the income on which the tax is based. This defect arises partly because installment payments are not timed to fit the receipt of income and partly because the taxes on a given year's income are not payable until the following year.

A. Poor adaptation to taxpayers' budgets and flow of income

A system of equal quarterly installments ignores the basic fact that most people budget on a weekly, semimonthly, or monthly basis according to the interval between pay checks. Such a system also ignores the wide variations in income receipts from one quarter to the next for such persons as farmers and seasonal workers. Equal quarterly installments are accordingly ill-adapted both to prevailing budget habits and to the flow of income.

This defect was not serious when income tax rates were low and the tax reached only the minority of our population with relatively large incomes. But in recent years the defect has been greatly magnified. The tax has been broadened to reach many millions of additional taxpayers with small incomes and little experience in planning their finances to meet large bills at infrequent intervals. Moreover, the burden of the tax has been greatly increased for all taxpayers. A suitable pay-as-you-go method will be of great assistance to millions of persons.

B. The lag in payments

Another difficulty of our existing method of payment, from the standpoint of the vast majority of taxpayers, is that this year's tax payments are based on last year's income. The resultant lag caused no serious payment problem as long as the income-tax burden was relatively low, and the persons principally affected by the tax were accustomed to saving and budgeting for various obligations, including taxes. But with the expansion of the income tax the payment lag has become a vital problem. To be sure, the lag does not cause the taxpayer difficulty as long as his income continues at a steady pace. If, however, his income varies from year to year, his taxes will be poorly geared to his receipt of income. And if his income declines sharply or ceases entirely, as at unemployment, retirement, disability or death, the overhanging tax debt may cause real hardship.

III. The Payment Problem As It Affects Specific Taxpayer Groups

The problem faced by taxpayers in meeting their tax bills and the nature of the solutions that can be provided depend in large part on the size and source of their incomes. For present purposes the estimated 44 million individuals obligated to pay taxes on 1943 income may be classified into three distinct groups: (1) 30 million wage and salary earners whose incomes after exemptions do not go above the first surtax bracket of $2,000; (2) 10 million taxpayers whose incomes also do not go above the first surtax bracket, but who receive more than a nominal amount of income from sources other than wages or salaries; and (3) 4 million persons whose incomes from all sources exceed the first surtax bracket (table A).

A. Wage and salary earners

1. *The payment problem.*—The overwhelming majority of the 44 million taxpayers for 1943 will be wage and salary earners whose incomes after exemptions and credits will not exceed the first surtax bracket of $2,000. This group covers,

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for example, single persons with net incomes up to $2,500, married couples without dependents with net incomes up to $3,200, and married couples with two dependents with net incomes up to $3,900. It is this group which is hit hardest by the defects in our present payment system.

Taxpayers in this group are accustomed to weekly or monthly budgeting under which expenditures are directly governed by the pay envelope. They are under considerable pressure to use their income as soon as it becomes available. They find it extremely difficult to make adequate provision for meeting lump-sum tax bills which fall due a year after the receipt of the income being taxed. Because of uncertainty of employment, they cannot escape uncertainty about future income. Moreover, if their income stops because of unemployment, entrance into the armed forces, sickness, or death, the income tax debt for the last year of income may become a crushing burden.

2. *A pay-as-you-go method for wage and salary earners.*—Under these conditions collection at source provides the only adequate answer to the income tax payment problem. Under such a system the income tax on these wages and salaries would be paid by withdrawing it week by week and month by month when the pay envelope is handed to the employee. The wage and salary earners' taxes would be automatically budgeted because tax payments would coincide with the receipt of income. At the same time the problem of income tax debt would be eliminated for these taxpayers. If the normal tax and the first bracket surtax, that is, the "basic liability" were collected at source in this manner, 30 million of the 44 million taxpayers estimated for 1943, or nearly 70 percent, would be current (table A). No pay-as-you-go plan is adequate unless it makes current at least this group of wage and salary earners.

It should be kept in mind that collection at source does not in itself increase or decrease the tax liability of the taxpayer. Collection at source is merely a device designed to help the individual pay his income tax currently as he earns his income. The individual receives full credit for the amounts collected at source when he files his tax return at the end of the year. The amount of the tax liability is determined by the rates imposed on everyone, whether the liability is collected at source or not. Consequently, it is the rate of tax liability that determines the rate of collection at source.

A collection-at-source system must be framed with these criteria in view: The current collections must approximate as closely as possible the employee's liability for the year; the employee must not be required to make quarterly or other unnecessary returns; the machinery of collection must be made as adaptable as possible to the accounting and business methods of the employer. The principal elements of a collection-at-source plan that would meet these criteria may be summarized as follows:

First. As stated, any pay-as-you-go plan should currently discharge as much as possible of the taxpayer's liabilities; it should also be so adjusted as not to collect more than the liabilities. This objective can be readily achieved by collecting at source only on amounts of income in excess of an allowance for exemptions and deductions. In other words, the amount of each wage or salary payment subject to collection at source would be determined by subtracting from the gross payment an allowance for personal exemptions and normal deductions. These allowances would be prorated according to the length of the pay period, that is, weekly, semimonthly, monthly, or other period. For example, under existing exemptions the weekly allowance might be $11 for a single person, $26 for a married couple, and $8 additional for each dependent. These amounts are made somewhat larger than the prorated annual exemption in order to incorporate an allowance for average deductions. The allowance for personal exemptions would be based on a simple statement furnished by the employee to his employer.

It is important to note that any system of withholding income tax which does not allow exemptions, or which allows only a uniform exemption for all employees without regard to their marital or dependency status, would not meet the need. Substantial under-collection with resulting large deficiency payments, or substantial over-collections with resulting large refunds, or both, would result in numerous cases under a withholding system not geared to actual income-tax exemptions.

Second. The rate applied to the wage and salary payments after these allowances would be set so as to collect approximately the basic tax liability, that is, under present law the normal tax of 6 percent plus the minimum surtax rate of 13 percent. However, the rate would be slightly lower than the sum of the normal tax and the first bracket surtax in order to make further allowance for deductions and to allow for vacations without pay, occasional periods of unemployment,

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and possible fluctuations in income above and below the taxable limit. In this way, refunds for overpayment at the source would be held to a minimum.

Third. After the close of the year, these taxpayers would file returns showing their actual income and final liability for the year. Adjustments of actual collections at source to the final liability would be made by means of additional payment or refunds. For the vast majority of wage earners, such adjustments would involve a deficiency or refund of only a few dollars.

Fourth. Apart from the allowance of exemptions according to marital and dependency status, the essential mechanism for such a method of collection at source is already established under the withholding machinery adopted for collecting the Victory tax on wages and salaries. Such collection at source of the Victory tax should be integrated with collection at source of the regular income tax. However, the committee may wish to consider the possibility of absorbing the Victory tax into the regular income-tax system.

The committee may wish to consider the desirability of collecting at source the basic liability on dividends, as well as on wages and salaries. In the case of dividends the normal and first bracket surtax could be collected on the gross amount. The administrative problems will, of course, have to be weighed, but since dividend receipts represent a sizeable portion of the income of millions of taxpayers for 1943, collecting the tax on such income at the source would be a considerable contribution to a pay-as-you-go system of tax collection.

B. PERSONS SUBJECT ONLY TO FIRST BRACKET RATE, WITH INCOME FROM SOURCES OTHER THAN SALARIES AND WAGES

The incomes of many taxpayers do not readily fit into a system of collection at the source. By far the largest group of such taxpayers consists of those who receive more than a nominal amount of income from sources other than wages or salaries, and whose total income is not in excess of the first surtax bracket. For 1943 it is estimated that 10 million of the 44 million taxpayers will be in this group. Their problem is different from that of wage and salary earners, and the system of current collection which is set up for them must differ accordingly.

1. *Payment problem.*—The incomes of several million small taxpayers consist of business profits, professional fees, rents, and farm receipts. The flow of income from most of these sources fluctuates widely from year to year, and frequently even from season to season. Under our present system these taxpayers often find that their tax payments are badly out of step with income. The result in many cases is difficulty and even hardship. Moreover, the tax payments of such persons on a quarterly basis may not at all coincide with the receipt of cash income, which may be lumped in one quarter or two quarters of the year. And when income drops off or stops entirely, these taxpayers are faced with the same difficulties as small wage and salary earners. The need for a pay-as-you-go system of tax collection is fully as pressing for them as for wage and salary earners.

Since the incomes of these people come in irregular amounts and from many different payors, the need for current payment cannot be met by collection at the source. If persons with small incomes from nonwage sources are to be put on a current basis, one of two alternative methods may be employed. One method would base tentative current payments on prior-year income. The other method would base tentative current payments on simple quarterly statements of income received in the current year. A further discussion of these two methods may be helpful.

2. *Alternative approaches to a solution.—a. Tentative payments based on last year's income.*—Under the first of the two methods for collecting taxes on nonwage incomes the taxpayer would be required to make tentative payments in the current year on the basis of the previous year's income and to make an adjustment in the following year for overpayment or underpayment. For example, the tentative tax for 1944 would be based on the income of 1943 as reported on March 15, 1944. After the end of the year, on March 15, 1945, a final calculation of 1944 income would be made. If the tax payments in 1944 proved to be too small, the deficiency would be paid at this time. If the payments proved to be too large, the taxpayer would receive a credit or refund of the excess payment.

Under this system the tax payments made in each year would depend not only on what the income had been in the previous year, but also on how much the income of that previous year differed in turn from the income of the year prior to it. If a person's income were stable from year to year, his tax payments under this plan would be substantially current. If, however, his income were not stable, he might be very far from being current since his tax payments in any year would

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not be geared to the income of that year. Thus, a person whose income increased from year to year would have deficiencies to make up each year, while a person whose income decreased from year to year would have credits or refunds due him each year. If the fluctuations in income were such that increases and decreases alternated, the deviation from current payment would be all the greater.

To illustrate the inadequacy of this method with an extreme example, let us assume that a taxpayer in 4 successive years had income of $2,000 in year 1, $4,000 in year 2, $8,000 in year 3, and $2,000 in year 4.

Example of tax payments under a system of current collection based on previous year's income [1] for married person with no dependents

Year	Net income [2]	Tentative tax [3]	Deficiency due to underpayment in prior year	Total payments during year
Year 1	$2,000	[4]	[4]	[4]
Year 2	4,000	$140	[4]	$140
Year 3	8,000	538	$398	936
Year 4	2,000	1,562	1,024	2,586

[1] Under rates and exemptions of the Revenue Act of 1942, excluding Victory tax.
[2] Assumed to be derived from items not subject to collection at source; minimum earned income assumed.
[3] The tentative tax is the same as the tax payable under the present method of payment on the income received in the previous year.
[4] It is assumed that the taxpayer had no taxable income for years prior to year 1. Therefore, there is no tax payable in year 1 and no deficiency or credit in year 2.

This taxpayer's tentative payment in year 3 at present tax rates would amount to $538 based on the $4,000 income for year 2. In addition, he would also in year 3 have to pay a deficiency of $398 in taxes for year 2, because in that year he had paid a tentative tax based on an income of only $2,000, his income in year 1, whereas his actual income in year 2 was $4,000. Thus, the payments which the taxpayer must make in year 3 depend upon what his income was in years 1 and 2. Going on to year 4, when the taxpayer's income is actually $2,000, he will pay a tentative tax of $1,562, based on the $8,000 income of year 3, and, in addition, he will also have to pay a deficiency of $1,024 for year 3 because in that year he had paid a tax measured by the year 2 income of $4,000, while his actual year 3 income was $8,000. He is thus required in year 4 to pay a total of $2,586, or $586 more than his income in that year. Thus, when incomes either rise or fall, the tax payments in a given year are based on the income of the 2 preceding years and are not related to the income of the current year.

As has been pointed out, this method works well for stable incomes, but without further refinement does not work well for fluctuating incomes. It should be noted that stability is the exception rather than the rule. Most incomes are characterized by fluctuation—up one year, down the next, or up for several years, and then down for several years. It is estimated that the incomes of about two-thirds of the taxpayers for 1943 will vary substantially, either up or down, from their 1942 incomes.

To base the tentative payments on last year's income when that income will generally be something higher or lower than this year's income, is not pay-as-you-go but pay-as-you-went. It is just this pay-as-you-went aspect of our present system that we seek to avoid.

It may be suggested that the defects of such a system can be patched by a relief provision which would permit adjustments in the tentative tax when the current year's income is expected to differ from the prior year's income. But since fluctuation in income is the rule, a provision designed to handle exceptions would to the extent it was followed actually become the rule. Taxpayers might be expected to take advantage of a permissive provision when their incomes were declining, but they could scarcely be expected to make the correction when their incomes were increasing, unless the provision were made mandatory through severe penalties for understatement of income.

b. Tentative payments based on quarterly statements of this year's income.—Since corrections to take care of fluctuations in incomes would depart in so many cases from the prior year's income, it may be helpful to consider a method which would go more directly to current income. Thus, a system of quarterly payment based on quarterly statements of current income might be put into effect. Such a quarterly statement and payment system would be a supplement to collection at source on wages and salaries. It would enable taxpayers with seasonal incomes—

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for example, farmers and many types of businessmen—to gear their tax payments much more closely to income than is possible under the present system of equal quarterly installments. The quarterly statement of current income would be simple in form, as shown in table B. It should be noted that similar statements would be necessary under the method of basing payments on last year's income.

3. *Quarterly statement method for income from sources other than wages and salaries.*—Persons of small means with income from such sources as business profits, professional fees, and farm incomes, could be put on a pay-as-you-go basis by the following steps:

First. Every 3 months they would file a simple statement of their best estimate of net income from sources not subject to collection at source.

Second. On the basis of such income less prorated exemptions, they would pay a tentative tax each quarter at the basic-liability rate used in collecting taxes at source.

Third. After the close of the year, they would report actual income, compute the actual liability, and make the necessary adjustment.

C. THE TREATMENT OF TAXPAYERS WITH HIGHER INCOMES

If current collection at the basic-liability rate were adopted, only a small minority of taxpayers would not become current with respect to the greater part of their liabilities. Of the 44 million taxpayers estimated for 1943, only 4 million would have surtax net incomes in excess of $2,000, that is, in excess of the first surtax bracket. To provide complete current collection for this group in the higher income brackets presents obvious difficulties because of the graduation of the tax rates depending on the amount of income received.

Fortunately this is also the group for whom full current collection is least essential. Most of these taxpayers have been accustomed to paying taxes for many years, and they have the resources and in general the expenditure habits suitable to an advance accumulation of tax funds. If their income stops suddenly, they would generally still be in a position to meet their tax liabilities over and above the currently paid basic liability. Moreover, most of this group of higher bracket taxpayers would become substantially current if the methods previously described for collecting currently the normal tax and minimum surtax were put into operation. It should be observed that such current collection methods would apply to all of the income of the taxpayer regardless of the surtax bracket in which it fell. Thus a married couple with no dependents and a net income of $5,000 would at a 19 percent basic liability rate pay currently $692 of a $746 total liability or 93 percent; a married couple with no dependents and a net income of $10,000 would pay currently $1,612 out of a $2,152 total liability, or 75 percent.

Continuing the present method of collecting liabilities in excess of the normal tax and surtax at the first bracket rate would, as previously mentioned, leave not fully current only 10 percent of the taxpayers. Of these nine-tenths would have more than three-quarters of their total liability currently paid. For only one taxpayer in a hundred would the tax liability not paid currently amount to more than one-quarter of his total liability.

Full current payment with only minor adjustments after the end of the year could be devised for all taxpayers if this were desired. To accomplish this the current quarterly payments previously discussed would be enlarged to include not only the basic liability, but also liability in the higher surtax brackets. Each quarterly payment could be based either on an estimate of income for the year or on an estimate of income for the quarter, in either case with appropriate adjustments during and after the year.

IV. The Problem of Transition

A. THE NATURE OF THE PROBLEM

Two distinct problems are involved in putting the income tax on a pay-as-you-go basis—first, the method of current payment that is best for steady year-in year-out use; and second, how to shift to that method. So far, I have been discussing the first problem. I should like now to turn to the second problem—that of transition.

A transition problem arises because if we start collecting this year the tax on this year's income without any other action, taxpayers will be obliged to meet in a single year both the tax on last year's income and the tax on this year's income. To the extent that we go on a current basis in 1943, taxpayers will

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be paying in 1943 their liabilities on 1943 income while still owing their 1942 liabilities. If they are required to pay both years' liabilities this year, there will clearly be a doubling-up of tax payments. The extent of the doubling-up depends on the amount collected currently. For example, if current collection applies to normal tax and the surtax at the first bracket rate, there is doubling-up with respect to this part of the tax, but there is no doubling-up with respect to the higher surtax rates. If current collection applies to the entire tax, there is doubling-up with respect to 1 year's whole tax.

B. POSSIBLE METHODS OF ACHIEVING TRANSITION

One method of achieving transition is to forgive part or all of a year's tax liabilities. A second method is to require individuals to continue to pay their 1942 taxes as at present, and at the same time begin current collection of 1943 taxes. A third method is to postpone part or all of a year's liabilities, permitting the postponed amounts to be amortized over a period longer than a year.

1. *Forgiveness of a year's taxes.*—A method of achieving transition that has been widely discussed is to forgive a year's liability. The overlapping of 2 years' tax liabilities can be completely eliminated only through forgiveness. The amount of forgiveness would be geared to the degree of current collection achieved. If current collection were to apply to the total liability, the complete elimination of over-lapping would require the forgiveness of the whole of a year's tax. If current collection were to apply to the basic liability—the normal tax and the surtax at the first bracket rate—the complete elimination of over-lapping would require the forgiveness of a year's basic liability, but not of the rest of the tax.

Considerable confusion has arisen in the course of the widespread discussion of proposals to forgive a year's taxes as a means of shifting to current collection. Two main points need clarification: (1) The effect of forgiveness on Federal revenues; and (2) its effect on the economic position of individuals.

a. The effect of forgiveness on Federal revenues.—The tax liability of the taxpayer is an asset of the Government, although it is not counted as such in the general accounts of the Government. Forgiving a year's tax would wipe out assets of this kind amounting to close to 10 billion dollars—the estimated amount of individual tax liabilities on 1942 income. The Government by forgiving a year's tax liabilities would be discarding assets as a business would that canceled its accounts receivable from customers. Such a business might be able to maintain its receipts by going on a cash sales basis. Yet no one would say that the business had not lost assets to the extent of the accounts canceled. The Government differs from the business in that it has the power to make up the loss by compelling quicker collections and by imposing additional taxes on the same or other people. Through the resulting partial redistribution of the tax burden the cash receipts of the Treasury could be maintained even though the tax liability was forgiven.

Accordingly it is not correct to assume that the forgiveness of a year's tax liability combined with corresponding current income-tax collection would reduce the cash flow into the Treasury. The effect on the amount of money taken into the United States Treasury resulting from placing the income tax on a current basis and forgiving a year's taxes cannot be determined except by comparing this treatment with some alternative. If the comparison is with the present payment method at existing rates, the cancelation of 1942 liabilities combined with current collection of subsequent liabilities need not involve either an increase or decrease in the amount of money taken into the Treasury in any given span of years. Each individual subject to taxation in 1942 has 1 year's liability canceled, but he is at the same time required to pay another year's liability sooner than he otherwise would. Individuals who were not taxpayers in 1942, but who become taxpayers subsequently, will be obliged to pay their liabilities 1 year sooner than under existing law. Individuals who die, or who cease receiving an income, pay the Government 1 year's less taxes, but by and large the money loss on their account is offset by the gain from new taxpayers who begin paying their taxes a year earlier.

The net result in money paid to the Government depends on whether the payments dropped out exceed or fall short of the payments added in the same year. The payments dropped out will be spread over a period of years. If any given year is a year of higher national income than the war boom year of 1942, the actual receipts of the Government for that span of years would be increased by the change. If it is a year of lower national income, governmental receipts would be decreased by the change.

b. The effect of forgiveness on the economic status of individuals.—Since the cash receipts of the Treasury could be maintained even though the tax liability was forgiven, the effect of wiping out an income tax asset through forgiveness can be

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more readily visualized and measured in terms of its relative effect on the different groups in the community who will be called upon to maintain the flow of revenue. The fact that the Government may take in as much money in a fiscal year, despite the forgiveness of a year's tax liabilities, reflects larger payments by some taxpayers, offsetting smaller payments by others. The taxpayers who pay less are those whose incomes have declined or ceased. The taxpayers who pay more are those whose incomes have increased so that they become taxable for the first time or those who have to pay a larger amount of tax sooner than they otherwise would. The forgiveness of 1942 liabilities thus affects tax payments in different years for different taxpayers. So long as an individual's income is stable, forgiveness combined with corresponding current collection will not immediately affect his tax payments. However, if he has accumulated liquid funds or has purchased tax anticipation notes to discharge his tax liabilities, these will be available to him for other uses. And, in any event, he will ultimately escape the payment of a year's income tax when he dies or his income ceases.

While the effect of forgiveness on tax payments is not felt until the individual dies or until his income declines or ceases, cancelation has a significant immediate effect on his economic status. The amount of taxes canceled represents an immediate addition to the individual's net wealth. This addition, which depends on the income of the individual in the year for which taxes are canceled, varies widely from individual to individual. If an individual had no income in that year, and was not subject to tax, his economic position would not be improved. If a married person without dependents had an income of $3,000, and the entire tax was canceled, he would gain $324. If he had an income of $1,000,000, he would gain $854,000.

The existence of an immediate gain has been denied on the ground that tax payments continue. The fact is, however, that throughout the history of the income tax, our taxes have been computed on a liability basis; that is, we have taxes for the year 1942, for the year 1943, and so forth, measured by the incomes of those years. The tax liability for each year depends on the income of that year and the rates applicable to that year. Under standard accounting practice they must be accrued for that year. A shift to the current collection basis wiping out a year's liability, adds that much to the wealth of each person by diminishing his liability. The result is a real gain to the taxpayer.

One way to judge the effect of forgiving the 1942 tax liability is in terms of the increases in tax liability which have been imposed to finance the war and which have given rise to the need to shift to a current collection system. This is shown in the attached table C, where it appears that the complete forgiveness of the 1942 tax liability would, in these terms, benefit persons with large incomes relatively more than persons with small incomes. A married person with no dependents having a net income of $2,000 owes $140 tax for 1942, or 7 percent of his income; with a $10,000 net income, he owes $2,152, or 22 percent of his net income; with a net income of $100,000 he owes $64,060, or 64 percent of his net income; with a net income of $1,000,000 he owes $854,000 or 85 percent of his net income.

The increase in income taxes for the 3-year period 1940–42 amounts to $182 for a married person with no dependents and a net income of $2,000. The amount that would be forgiven this individual is $140, or 77 percent of the increase for the 3 years. At the $100,000 level, the amount forgiven equals 102 percent of the increase in taxes and at the $1,000,000 level, 320 percent. For an individual with a $1,000,000 income in each of the 5 years 1938–42 the reduction in tax liabilities resulting from complete forgiveness would more than offset all tax increases enacted since 1935.

These results follow, of course, from the nature of the tax increases that have been imposed to finance the war. These increases have had to come primarily from the low and middle income groups. The rates on the upper surtax brackets could not be increased correspondingly. At the same time, the amount of tax forgiven is greatest for the highest income groups. In consequence, the forgiveness of 1942 taxes, urged as a means of adjusting payment methods to war-time tax rates, would benefit most just those groups who have been called upon to make the smallest relative addition to their tax payments to finance the war.

The attached table D shows the effect of cancelation on the individual's economic status in another way. The amount available to an individual each year to use for consumption or to add to his wealth is the income he has left after taxes. Table D shows the amount of tax forgiven as a percentage of the income left after taxes. For the individual with $2,000 income the forgiven tax represents only about 7½ percent of a year's income after taxes—or the equivalent of less than 1 month's income. For the individual with $1,000,000 income the forgiven tax

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represents almost 600 percent of a year's income after taxes. The forgiveness of a year's taxes enables him to add to his wealth at one stroke as much as he could add in nearly 6 years by saving every dollar he had left after paying taxes and spending nothing, and as much as he could add in 12 years by saving half of what he had left after paying taxes.

It has been urged that the gain from forgiveness is offset by the resulting increase in estate tax when the individual dies. But the gain would be subject to the estate tax only if it is not spent or given away in the meantime, and if the estate is sufficiently large to be taxable under the liberal estate tax exemptions. And even if subject to the estate tax, the offset is only partial, reaching 50 percent or more only for net estates in excess of $2,500,000. A special estate tax could, of course, be devised to recapture a larger part of the forgiven amount if it were not spent or given away in the meantime. These loopholes, too, could be closed by still other special taxes. But any of these devices for recapturing, to the extent that they are effective, amount simply to not forgiving as much in the first place.

2. *Simultaneous collection of 1942 and 1943 taxes.*—A second method of achieving transition is to require individuals to pay their 1942 taxes at the same time they are paying their 1943 taxes. The ability of particular taxpayers to pay 2 years' tax liability in 1 year would vary widely. Those who had accrued their taxes during 1942 and saved to pay them could pay the 2 years' taxes in 1943 with no difficulty whatever. Others, who had not accrued or saved especially to meet taxes, but who had other credit or accumulated liquid savings could also meet the 2 years' liability in 1943 without undue hardship. Still other taxpayers, the amounts of whose income subject to tax were small, and whose taxes were small, might be able to meet the 2 years' taxes out of 1943 income without substantial difficulty.

There would be, however, numerous taxpayers who failed to accumulate tax reserves in 1942, and who counted on paying 1942 taxes out of 1943 income. For many of these the rates of tax would be so high and financial circumstances so pressing that the payment of 2 years' taxes in 1 year would be a severe hardship, if not an impossibility. Accordingly, a policy of paying 1942 and 1943 taxes all in 1943 would undoubtedly need to be moderated in view of the substantial hardship it would cause.

In this connection it should be noted that the President, in his Budget Message, asked that collections for the fiscal year 1944 be increased by 16 billion dollars. Practically all of this 16 billion dollar increase in collections will have to be derived from individuals in the final analysis, whatever forms the levies may take. Revenue measures to meet the President's request would take from individuals in the fiscal year 1944 an additional amount larger than the total expected 1943 income taxes at present rates. Clearly, carrying the President's Budget Message into effect will mean partial or complete doubling of payments for individual taxpayers generally. Of course, the doubling would not fall on the same taxpayers in the same proportions as would result from collecting 1942 income taxes in 1943.

Under these circumstances, shifting to a current collection system and at the same time requiring that individuals continue to pay their liabilities on 1942 income is one way of raising some of the additional revenue we need. The extra burden involved in paying part or all of 1942 tax liabilities must not be compared with no burden at all. The correct comparison is between that burden and the burden of other methods of raising the same amount of additional revenue. Accordingly, the simultaneous collection of 1942 and 1943 taxes should not be compared with complete forgiveness and no change in tax rates; but with complete forgiveness combined with a rise in tax rates. Otherwise, the comparison is simply between more taxes and less taxes.

3. *The postponement of 1942 liabilities.*—In view of the hardships for some individuals involved in the simultaneous collection of 1942 and 1943 taxes, it may be desirable to postpone or defer the payment of part of the 1942 liabilities. One method of collecting the postponed tax would be simply to require the taxpayer to pay the postponed tax at his discretion within a certain number of years, say before March 15, 1945. A second method would be to divide the postponed tax into fixed installments that the taxpayer would have to meet. A third method would be to increase the rate of current collection, whether at source or by quarterly payments, and treat the additional amount collected as an offset to the postponed liabilities, with appropriate provision for persons not having any 1942 liabilities.

I should like to repeat that the method of transition must be determined in the light of the revenue problem of the Federal Government, to which I have previously referred. Very great increases in Government revenue are going to be

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required in the coming years. It seems more equitable to collect at least to a substantial degree the tax liabilities which have been imposed by past legislation than to forgive a year's liability and raise the additional revenue by increases in rates. The method of rate increases, combined with cancelation, would largely free higher incomes from a year's taxes while imposing the additional burden more heavily on the low income groups, since it is at this level that the income tax is capable of further expansion.

Furthermore, in view of our revenue needs, the forgiveness of a year's tax liability might be generally misconstrued as an indication that tax burdens could be made lighter instead of being made heavier. Indeed, there is considerable evidence that even the recent discussions of tax forgiveness have confused and demoralized the public and caused them to doubt whether they will really have to bear tax burdens as high as those imposed by the Revenue Act of 1942.

V. Conclusion

In this discussion of current income tax collection, or pay-as-you-go, I have endeavored to indicate the principal problems in designing a satisfactory system. These problems are admittedly difficult. A summary of the issues, together with the best judgment of the Treasury as to their solution, may be helpful.

A. THE RATE OF COLLECTION AT THE SOURCE

The question arises whether the withholding rate under collection at the source should be sufficiently large to collect the basic liability, or should be high enough to collect the whole liability on the larger incomes at progressive rates. It would seem preferable to collect at the source the full basic liability (normal tax plus surtax at first bracket rates), thus by this step alone making fully current 70 percent of all income taxpayers. For the sake of simplicity and to avoid unnecessary refunds, it seems desirable, at least in the beginning, not to attempt collection at source at progressive rates.

B. EXEMPTIONS UNDER WITHHOLDING

Another question is whether allowance should be made for exemptions under a system of collection at source and, if so, whether they should be uniform for all salary and wage earners or should take into account marital and dependency status. The problem of collection at source is to collect the income tax which is computed on the basis of exemptions, varying according to marital and dependency status. It seems imperative that the collection-at-source system should be based on such exemptions, since otherwise the amounts collected would be so far from the amounts due as to fail to meet the objectives of collection at source in any satisfactory manner. Such a collection–at–the–source system can be readily handled by employers.

C. THE METHOD OF HANDLING OTHER INCOME

Another question is whether the tax on income from sources not adapted to withholding procedure should be tentatively based on the previous year's income or on the current year's income. It seems very desirable that the tax be based on the current year's income. Further exploration may be needed to determine whether this could be done more simply by an annual estimate in March with periodic adjustments, or by a quarterly statement of income.

D. THE CURRENT COLLECTION FOR HIGHER BRACKETS

Another question is whether an attempt should be made to bring completely current the tax on the incomes which extend into the higher surtax brackets. It seems desirable that they should be made as nearly current as possible, subject to inevitable adjustments which cannot be made until the following year. But if the compliance difficulties of making taxes on such incomes fully current are deemed too great, substantial currency for the great majority of taxpayers can be achieved by making the basic liability current with payment of the balance in the same manner as the whole tax is collected at present, namely, in the following year.

E. THE TRANSITION PROBLEM

Another question is whether the transition to current payment should be made by forgiving a year's liability, by paying 2 years' taxes in 1, or by postponing

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or deferring 1 year's taxes over several years. In the light of the revenue needs of the Government, and the equitable distribution of the tax burden, complete forgiveness seems very undesirable. Complete doubling up would undoubtedly be too harsh for some taxpayers. Accordingly, deferment of payment of taxes for the transition year to the extent necessary to relieve such hardships appears to be desirable. This is not to say that some discount, or even a certain amount of forgiveness, may not be found to be desirable for the same reason.

F. TIME SCHEDULE

A further question relates to the timing of a current collection system. It seems desirable to pass legislation as soon as possible and to make it effective as soon thereafter as possible. Collection at the source should certainly not begin later than July 1 of this year.

G. MARCH 15, 1943, RETURNS

It should be emphasized that no matter when the system of current collection is established and what that system may be, returns on March 15, 1943, must be filed as usual. If the taxpayers do not clearly understand this point, great confusion will certainly result.

TABLE A.—*Individual net income tax—estimated number of taxpayers for the income years 1942 and 1943, by size of surtax net income and type of income*

[In millions]

Type of income	1942			1943		
	Total	Surtax net income		Total	Surtax net income	
		Not over $2,000	Over $2,000		Not over $2,000	Over $2,000
	Estimated number of taxable income recipients [1]					
Wages and salaries with not more than a nominal amount of other income	28	26.5	1.5	32	30	2
All other [2]	11	9.0	2.0	12	10	2
Total	39	35.5	3.5	44	40	4
	Estimated number of taxable returns [3]					
Wages and salaries with not more than a nominal amount of other income	25	23.5	1.5	29	27	2
All other [2]	10	8.0	2.0	11	9	2
Total	35	31.5	3.5	40	36	4

[1] Number of individuals receiving net income in excess of exemption.
[2] Including sources other than wages and salaries, and also wages and salaries combined with more than a nominal amount of other income.
[3] Number of returns that will be filed on which a tax will be due. This is less than the number of taxable income recipients because of the filing of joint returns including the income of more than one taxable income recipient, particularly in the smaller income classes.

TABLE B.—*Statement for quarter ending June 30, to be filed on June 15 by individuals whose tax is not withheld at source* [1]

1. Income from all sources during the quarter.
2. Income from wages and salaries.
3. Quarterly exemption and dependent credit.
4. Larger of (2) or (3).
5. Balance [(1) minus (4)].
6. Payment due: ..... percent of (5) (percentage to be same as that used for collection at source).

[1] A final adjustment would, of course, be made the following March.

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TABLE C.—*Tax liability for the period 1938–42 if 1942 tax liability is forgiven, compared with tax liability computed without certain tax increases after 1935, at selected levels of net income, for married person with no dependents*

	Income tax liability on selected net income [1]						
	$2,000	$3,000	$5,000	$10,000	$25,000	$100,000	$1,000,000
1. Actual tax liability for income years 1938–42:							
1938	-------	$8	$80	$415	$2,489	$32,469	$679,044
1939	-------	8	80	415	2,489	32,469	679,044
1940	-------	31	110	528	3,843	43,476	717,584
1941	$42	138	375	1,305	6,864	52,704	732,554
1942	140	324	746	2,152	9,220	64,060	854,000
Total	182	509	1,391	4,815	24,905	225,178	3,662,226
2. Total tax liability 1938–42 if the 1942 liability is forgiven	42	185	645	2,663	15,685	161,118	2,808,226
3. Total tax liability 1938–42 assuming no tax increases under Revenue Acts of:							
A. 1942	84	323	1,020	3,968	22,549	213,822	3,540,780
B. 1941 and 1942	-------	109	490	2,414	16,507	195,366	3,510,840
C. 1940, 1941, and 1942	-------	40	400	2,075	12,445	162,345	3,395,220
D. 1936, 1940, 1941, and 1942	-------	40	400	2,075	12,445	152,970	2,856,970
4. Cumulative increase in tax liability:							
A. Under Revenue Acts of 1940–42	182	469	991	2,740	12,460	62,833	267,006
B. Under Revenue Acts of 1936–42	182	469	991	2,740	12,460	72,208	805,256
5. Tax liability forgiven (1942 taxes) as a percent of:							
A. Increase in tax, Revenue Acts 1940–42	*Percent* 76.9	*Percent* 69.1	*Percent* 75.3	*Percent* 78.5	*Percent* 74.0	*Percent* 102.0	*Percent* 319.8
B. Increase in tax, Revenue Acts 1936–42	76.9	69.1	75.3	78.5	74.0	88.7	106.1

[1] Net income before personal exemption, assuming maximum earned income credit and no net long-term capital gains.

TABLE D.—*Amount of taxes forgiven as a percent of annual net income after taxes, if 1942 tax liability is forgiven at selected levels of net income, for married person with no dependents*

Net income before personal exemption	Amount of tax [1] (excluding Victory tax)	Net income after tax	Tax forgiven as a percent of net income after tax	Net income before personal exemption	Amount of tax [1] (excluding Victory tax)	Net income after tax	Tax forgiven as a percent of net income after tax
			Percent				*Percent*
$1,200	----------	$1,200	----------	$15,000	$4,052	$10,948	37.0
$1,300	$13	1,287	1.0	$20,000	6,452	13,548	47.6
$1,500	48	1,452	3.3	$25,000	9,220	15,780	58.4
$2,000	140	1,860	7.5	$50,000	25,328	24,672	102.7
$2,500	232	2,268	10.2	$100,000	64,060	35,940	178.2
$3,000	324	2,676	12.1	$500,000	414,000	86,000	481.4
$4,000	532	3,468	15.3	$1,000,000	854,000	146,000	584.9
$5,000	746	4,254	17.5	$5,000,000	4,374,000	626,000	698.7
$10,000	2,152	7,848	27.4				

[1] Revenue Act of 1942, assuming maximum earned income credit and no net long-term capital gains.

Exhibit 84

Statement of Randolph E. Paul, General Counsel for the Treasury Department, before the Senate Finance Committee, May 6, 1943, on current payment of the individual income tax and tax cancelation for 1942

I. INTRODUCTION

The House of Representatives on May 4, 1943, passed a bill providing for current payment of the individual income tax. While some features of the bill were the subject of extensive controversy, large areas of agreement prevailed throughout the deliberations in the Ways and Means Committee and in the House. The provisions of the three leading bills—the Ways and Means Committee bill, the Ruml-Carlson bill, and the bill adopted by the House—reflect essential agreement on the major issue of current payment. All three bills pro-

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vide for collection at source from wages and salaries starting July 1 at a rate of 20 percent above exemptions. All three bills adopted the same techniques for collection of other liabilities payable currently, but not collected at source. Only with respect to the transition to the new system was there controversy and this was principally with respect to the amount and distribution of tax cancelation for 1942.

Before this committee I need not dwell on the importance of placing taxpayers on a pay-as-you-go basis and eliminating for the great mass of taxpayers the 1-year lag which now exists in our present system of individual income tax payment. With rates at wartime levels, taxpayers, especially those in the lower income groups, find it difficult to accumulate in advance the funds needed for quarterly lump-sum payments. They may suffer actual hardship in the case of a drop or failure in income because of the lag in income tax payments. It is now universally recognized, I believe, that tax payment will be made easier, and that hardship will be avoided, if tax liabilities are discharged currently out of pay envelopes instead of waiting until the year following the receipt of income. At the same time, current collection will more adequately protect Treasury revenue, and will guarantee a more prompt and more certain flow of revenue to the Government, than does the existing method of collection. By promptly withdrawing purchasing power from the income stream before it can exert an upward pressure upon prices, a pay-as-you-go system will strengthen the Government in its critical fight against inflation.

The advantages stated accrue both to taxpayers and Government. With overhanging income tax debt eliminated for the great majority of taxpayers, and with taxes budgeted more certainly and smoothly, taxpayers are better prepared to meet the demands that may be made on them by the necessities of war finance. An income tax payment system putting the great majority of taxpayers on a current basis will better prepare the income tax for its role in the enormous job of financing this total war. These points, I believe you will agree, settle beyond dispute the importance of the pending legislation.

II. Collection at the Source

The withholding provisions of the three major bills considered by the House are identical. Withholding from wages and salaries at a rate sufficient to cover the Victory tax, the normal tax, and 13 percent of surtax net income is to begin on July 1, 1943. In general, the withholding system now in effect for the Victory tax, modified to take account of personal exemptions, is utilized. The withholding rate is 17 percent on the amount of wages over the income tax withholding exemption and 3 percent on the wages over the Victory tax withholding exemption. Thus withholding is required not on a gross basis but only on the excess of the total wages over exemptions and an allowance for normal deductions.

The reduction of the Victory tax withholding rate from 5 to 3 percent is made to avoid over-collection of the Victory tax liability which, after taking account of credits, more nearly approximates 3 than 5 percent. The 17 percent rate for the income tax is designed to collect approximately the normal tax of 6 percent, plus the minimum surtax rate of 13 percent. The withholding rate is slightly lower than the sum of the normal tax and the first bracket surtax, in order to make partial allowance for deductions. The rates are thus designed to minimize as far as possible over-withholding and the consequent necessity for making refunds.

The amount of each wage or salary payment subject to withholding is determined by subtracting from the gross payment the withholding exemptions allowable. The withholding exemption for the Victory tax is $624. The withholding exemptions for the income tax are the regular personal exemptions of $500 for a single person, $1,200 for a married person, and an additional $350 for each dependent, each increased by 10 percent to allow for average deductions. These exemptions are prorated according to the length of the pay period, that is, weekly, semimonthly, monthly, or other pay periods. For example, the weekly Victory tax allowance is $12, while the weekly income tax allowance is $11 for a single person, $26 for a married couple, and $8 for each dependent.

To enable the employer to determine the proper amount of tax to be withheld, the employee is required to furnish a signed withholding exemption certificate showing whether he is single or married and the number of his dependents. If his marital and dependency status changes, the employee is required to file an amended certificate to take effect for future pay periods. The employer is entitled to rely on the exemption certificate furnished him by the employee in computing the amount to be withheld from the employee's wages, and if the employee fails to furnish the required certificate, no personal exemption, or dependency

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credit is to be allowed. Thus, the employer is not placed under a duty to ascertain the status of an employee, and the responsibility in this regard falls upon the employee.

The House bill gives employers the option of either directly computing the amounts of tax to be withheld or using wage bracket tables. If the employer chooses the computation method, he subtracts the Victory tax withholding exemption from the wage payment and applies a rate of 3 percent to the balance, and subtracts the income tax withholding exemption from the wage payment and applies a rate of 17 percent to the balance; the sum of the two resulting amounts is the amount to be withheld. If the employer uses the tables which the House bill provides for the standard pay-roll periods, he determines the amount to be withheld by reading it from the tables. Knowing the person's marital status and number of dependents, the employer needs only to locate the bracket in which the given wage falls and to read off the corresponding amount to be withheld.

Under the House bill the employer is required to make quarterly returns and pay over the tax withheld from his employees in each quarter on or before the last day of the month following the close of the quarter. He is also required to furnish each employee a written receipt showing the wages paid during the year and the amount withheld. If the employee's services are terminated before the close of the calendar year, the receipt must be furnished on the day on which the last payment of wages is made, except that an extension of thirty days may be granted by the Commissioner. In lieu of the present information return with respect to wages, the employer is required to attach to the last quarterly return for the calendar year copies of the receipts which he gives to his employees so that they may be checked against the returns filed by the individual wage earners.

After the close of the year, wage earners are required to file returns showing their actual income and final liabilities for the year. The tax withheld at source is allowed as a credit against such final liability and adjustments to such liability are made by additional payments or refunds. For the vast majority of wage earners these adjustments will be minor in amount.

Collection at source applies only to compensation for personal services. However, certain types of employment are excluded from withholding under the bill. The principal types excluded are domestic servants, members of the armed forces, and farm labor.

The House bill will discharge by collection at source substantially the full tax liability for persons whose income consists of wages not exceeding $2,700 if single and $3,500 if married, and correspondingly higher amounts if the employee has dependents. Seventy percent of all taxpayers will have their entire tax liability withheld at source and an additional 10 percent will have part of their liability withheld at source.

Since the provisions of the House bill with respect to withholding were drafted, conferences with representatives of employers have produced several suggestions, tending to simplify the burden on employers which is involved in the mechanics of applying the system of collection at the source. Suggested changes of this nature will be described in a separate statement.

III. Current Payment of Tax Liabilities Not Collected at Source

Collection at source will discharge the tax liabilities for most taxpayers. There are two types of cases where collection at source does not discharge the total tax liability. One is the case where incomes are not from wages and salaries. The other case is where incomes extend into brackets with rates higher than those covered by collection at source.

With respect to incomes not subject to collection at source the basic technique is the same for all three bills. This technique involves a declaration by the taxpayer of his estimated tax liability for the current year by March 15. This estimated tax is to be paid at quarterly intervals thereafter, or earlier if the taxpayer chooses. The taxpayer may revise the declaration of the estimated tax each quarter and ratably increase or decrease remaining installments.

In the case of the Ruml-Carlson bill and the Ways and Means Committee bill this technique was also to be applied to the balance of the tax liability on incomes subject to source collection but falling in the higher surtax brackets, and to higher surtaxes on incomes not subject to collection at source. It would thus achieve current collection of the total tax liabilities of all taxpayers, except for necessary year-end adjustments. The House bill, however, provides for current collection only of an estimated basic tax of 20 percent. Any balance of tax liability over

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this amount is payable in the year following the receipt of income in the same manner as under present law.

Declarations of estimated basic tax are required only of those individuals who have more than $100 of income not subject to withholding and whose total gross income would require them to file income tax returns at the end of the taxable year. Thus persons whose entire income consists of wages subject to withholding and only a nominal amount of other income are not required to file declarations.

A special rule, common to all three bills, applies to farmers who fulfill the requirements with respect to gross income. Farmers are defined as individuals whose estimated gross income from farming amounts to at least 80 percent of the total estimated gross income from all sources. In their case, the declaration of the estimated tax may be made at any time on or before the 15th of December. Farmers are not required to pay in installments but they may voluntarily elect to do so.

Under the House bill, to prevent substantial underestimates of the estimated basic tax, a penalty is added to the tax. The penalty is 6 percent of any amount by which 16 percent of the actual net income less wages subject to withholding or the personal exemption, whichever is the greater, exceeds the estimated basic tax paid during the year. In other words, this penalty applies only if the individual underestimates by more than 20 percent the net income on which the estimated basic tax is computed. A special rule applicable to farmers who elect the end of the year filing date provides a tolerance limit of 33⅓ percent of actual net income over wages or personal exemption, whichever is the greater.

Additional penalties are provided to safeguard the current payment system. In the case of a failure to file a declaration of estimated tax within the time prescribed, the penalty is $10 or 10 percent of the tax, whichever is greater. In the case of a failure to pay an installment of the estimated tax within the time prescribed, the penalty is $2.50 or 2½ percent of the tax, whichever is greater, for each installment with respect to which such failure occurs.

This system of current payment of tax not collected at source is to come into operation in the third quarter of 1943 to parallel the new collection-at-source system which begins July 1, 1943. The March and June installments of 1942 tax payable in 1943, insofar as an amount equal to the forgiven basic liability is concerned, will be treated as current payments of estimated basic tax for 1943. When the taxpayer files his return in March 1944, adjustments will be made for overpayment or underpayment of the 1943 liability.

IV. Extent to Which Taxpayers Are on a Current Basis Under the Three Major Bills

The current payment features of the House bill place 90 percent of taxpayers on a fully current basis except for minor year-end adjustments. The great majority of the remaining 10 percent of taxpayers are made substantially current. Less than 1 percent of all taxpayers would not be at least 75 percent current, and only about 700,000 taxpayers out of nearly 44 million will have a liability exceeding $90 carried over beyond the close of the current year. The House bill achieves current collection for the taxpayers in the lower brackets to whom it is most essential and falls short of fully current collection for only the 4 million taxpayers who have surtax net incomes in excess of $2,000, that is, in excess of the first surtax bracket. In the case of higher-bracket taxpayers, a very substantial part of the tax is discharged currently because the bill applies current collection to the basic tax on the entire income regardless of the surtax bracket into which it falls.

Under the Ruml-Carlson bill all taxpayers would be fully current almost immediately. Under the Ways and Means Committee bill, all taxpayers would be on a current basis with respect to their taxes on current income before the end of 1943. The 7 million taxpayers who had no liability on 1942 income at 1941 rates and exemptions would be current as to all liabilities, while the remaining taxpayers would be required to pay their reduced 1942 tax concurrently with their taxes on current income during 1944, 1945, and 1946.

V. Treatment of 1942 Tax

Although all three bills before the House provided the same methods of collection at source and current payment, the amount of forgiveness of 1942 taxes and the distribution of the forgiveness were a major subject of controversy. The House bill cancels the 6 percent normal tax and 13 percent of surtax net

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income on 1942 individual incomes. No problem arises on account of the unforgiven 1942 tax. Since only the basic liability for any year is payable currently and since this corresponds to the amount of 1942 tax forgiven, there can be no doubling-up of payment.

The Ruml-Carlson bill cancels the entire tax on 1942 income except for certain offsets intended to prevent windfall gains to some taxpayers. One of these antiwindfall provisions applies where 1943 income is less than 1942 income while the other applies when both 1942 and 1943 incomes are greater than 1940 income, the year 1940 having been substituted for the year 1941 by floor amendment. Under the Ruml-Carlson bill there would in general be no doubling-up since, while the whole tax is payable currently each year, the entire 1942 tax is correspondingly forgiven. An exception is presented in those cases where the second of the above antiwindfall provisions is applicable, since the amount of tax not forgiven under the antiwindfall provisions is payable in 1943, unless an extension of time is granted by the Commissioner in cases of hardship.

The bill reported by the House Ways and Means Committee recomputes the tax on 1942 income at 1941 rates and exemptions and the difference is canceled. Under this bill, the unforgiven 1942 tax liabilities require special treatment. Provision is made for collecting them in three annual installments beginning March 15, 1944. To encourage advance payment of the later installments, provision is made for a discount of 6 percent of the reduced 1942 tax if full payment is made by March 15, 1944, and a discount of 2 percent of such tax if the 1944 installment is paid and the balance is paid by March 15, 1945. The Commissioner is authorized to grant an extension of time up to 3 years in those cases where payment of any installment would result in undue hardship.

VI. Provisions Relating to Members of the Armed Forces

The House bill contains two provisions relating to members of the armed forces. One provision exempts from income tax the service pay of most members of the armed forces. The second provision abates outstanding income tax liability for members of the armed forces who die while on active service. The provisions in the House bill are identical with those contained in the Ruml-Carlson bill and in the Ways and Means Committee bill.

Under present law, there is provided an exclusion from gross income in the case of personnel below the grade of commissioned officer in the military and naval forces of the United States. The amount excluded under this provision is not to exceed $250 in the case of a single person and $300 in the case of a married person or head of a family and applies only to salary or compensation received for active service in the armed forces during the present war. These exclusions are in addition to the personal exemptions.

The House bill proposes to amend this provision by increasing the exclusion from gross income in the case of military and naval personnel, without distinction as to rank, with respect to the compensation received during any taxable year for active service during the present war. The amount so excluded is not to exceed the excess of $3,500 over the personal exemption claimed by the member of the military or naval forces. If such member of the armed forces is married and living with his spouse on the last day of the taxable year and his spouse is not a member of the military or naval forces, the amount of the exclusion is not to exceed the excess of $3,500 over the personal exemption claimed by both the spouse and the member of the military or naval forces. Thus, under this provision, the amount of service pay which may be excluded from gross income in the case of a married person is the same regardless of whether joint or separate returns are filed and regardless of the property law of any State. The amendment would apply with respect to all compensation received after December 31, 1941, by a member of the armed forces of the United States for active service in such forces, and is thus retroactive to the year 1942.

Under another provision of the House bill, members of the armed forces who die in active service are relieved from income taxes for the taxable year in which falls the date of death. In addition, there is abated all income taxes (including interest and additions to tax) which are unpaid as of the date of death. If the amount of any such liability which was unpaid as of the date of death is collected subsequent to such date, provision is made that the amount so collected shall be credited or refunded as an overpayment. This amendment becomes effective with respect to members of the armed forces dying in active service on or after December 7, 1941.

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VII. Revenue Effects under the Three Major Bills

The 1942 tax liabilities under present law are estimated at 9,815 million dollars before giving effect to the special provisions relating to the armed forces and at 9,451 million dollars after giving effect to these special provisions. The House bill would cancel 7,238 million dollars. The Ruml-Carlson bill would cancel the entire 9,451 million dollars but would recoup through windfall provisions 1,133 million dollars, resulting in a net cancelation of 8,319 million dollars after giving effect to these special provisions. The Ways and Means Committee bill would cancel 4,672 million dollars. Thus, of the 1942 liabilities there would remain only 2,214 million dollars under the House bill, 1,133 million dollars under the Ruml-Carlson bill (this entire amount being due to the special windfall provisions), and 4,780 million dollars under the Ways and Means Committee bill.

Under the House bill the tentative estimates of income tax liabilities due in the fiscal year 1944 would not be appreciably different from the income tax liabilities due under the present law. The liabilities due in each case would amount to approximately 13,000 million dollars. The increase of over a half billion dollars in liabilities due in the fiscal year 1944 under the House bill as a result of subjecting the higher levels of income in 1943 and 1944 to current tax payment insofar as the basic liability is concerned is offset for the most part by the decrease in liabilities resulting from the relief for the armed forces.

Under the Ruml-Carlson bill the liabilities due in the fiscal year 1944 would amount to 15,263 million dollars and under the Ways and Means Committee bill to 15,724 million dollars if no discounts are taken, and 18,623 million dollars if the maximum discounts are taken. The larger collections under the Ways and Means Committee bill and the Ruml-Carlson bill in that particular year are due in part to a doubling-up of certain liabilities with respect to 1942 taxes and in part to a more complete dependence of the liabilities due in the fiscal year 1944 upon the higher level of current income than under the House bill, since under the House bill the liabilities with respect to the upper surtax brackets are based upon the preceding year's income.

In the fiscal years 1945 and 1946 the Ways and Means Committee bill will continue to produce larger amounts of revenue than the other two bills to the extent that the 1942 tax is not fully paid in 1944. The revenue under the Ruml-Carlson bill and the House bill will be equal in fiscal year 1945 if 1944 and 1945 incomes are at the same level as 1943 incomes. If the trend of income continues upward the yield under the Ruml-Carlson bill will be somewhat higher than under the House bill since current collection applies to the whole tax instead of to the basic tax, which accounts for about three-fourths of the total. On the other hand, if income trends should turn downward the yield under the Ruml-Carlson bill would, for the same reason, be less than the yield under the House bill.

The estimated income tax liabilities due during 1943 and 1944 and the amount of 1942 taxes canceled under the Ruml-Carlson bill are given in exhibit E. Corresponding estimates under the House bill and the Ways and Means Committee bill are given in exhibits F and G.

VIII. Distribution of Forgiveness

The three plans differ not only with respect to the aggregate amount of tax forgiven but also with respect to the distribution of forgiveness among the various income brackets. Superficially each of the three bills distributes its forgiveness on a uniform pattern. The Ruml-Carlson bill forgives the whole tax from the lowest income to the highest income. The House bill forgives the normal tax and 13 percent of surtax net income uniformly from top to bottom. The Ways and Means Committee bill shifts the rates and exemptions from the 1942 levels to the 1941 levels for all taxpayers. Thus on its face each bill appears to apply its forgiveness on a uniform basis for all taxpayers.

This apparent uniformity, however, does not mean that in actual operation each of the three bills distributes the benefits of forgiveness in an equitable manner. The relative distribution of forgiveness among different income brackets differs widely under the three bills. The assumption, which many people make, that uniform treatment is afforded when the same percentage of tax is forgiven to all taxpayers, fails to take account of several very important considerations.

A usual method of comparing the fairness of tax provisions is to measure the distribution of tax burdens imposed among the various income levels. On this basis of comparison, both the House bill and the Ways and Means Committee bill distribute the remaining 1942 tax burden in the form of progressive tax rate schedule although they differ as to exemptions and the pattern of the rate schedule.

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The Ruml-Carlson bill, however, leaves no burden at all on 1942 income, except as to the antiwindfall provisions. This pattern of burden is obviously not equitable in a year of wartime income.

A second method of measuring the fairness of the distribution of tax forgiveness is based on the amount of income which a taxpayer has at his disposal to spend or to save—not income before taxes, but income after payment of taxes. The Federal income tax has been in operation for 30 years. During every year of that time the receipt by an individual of a dollar of net income above exemptions has concurrently created a tax liability which must be subtracted to reflect the actual income. It is this actual income after tax and not the income before tax which is the proper standard for measuring the effects of tax forgiveness on persons in different income levels. Forgiveness adds wealth to the taxpayer, or reduces his liabilities, which is in effect the same thing. How do the amounts of the forgiveness under the three bills compare with respect to income remaining after the taxes which are prescribed for 1942 by existing law?

The answer to this question may be seen in the following table showing for the three bills the relation of the amount of the forgiveness to the income after tax.

Net income before personal exemption	Income tax, present law (married person no dependents)	Income after tax	Amount forgiven under—		
			Ruml-Carlson bill	House bill	Ways and Means Committee bill
$2,000	$140	$1,860	$140	$140	$100
$3,000	324	2,676	324	324	192
$5,000	746	4,254	746	691	388
$10,000	2,152	7,848	2,152	1,614	860
$25,000	9,220	15,780	9,220	4,437	2,396
$100,000	64,060	35,940	64,060	18,690	11,357
$1,000,000	854,000	146,000	854,000	189,750	121,126

Net income before personal exemption	Income after tax	Amount forgiven as percent of income after tax under—		
		Ruml-Carlson bill	House bill	Ways and Means Committee bill
		Percent	*Percent*	*Percent*
$2,000	$1,860	7.5	7.5	5.4
$3,000	2,676	12.1	12.1	7.2
$5,000	4,254	17.5	16.2	9.1
$10,000	7,848	27.4	20.6	11.0
$25,000	15,780	58.4	28.1	15.2
$100,000	35,940	178.2	52.0	31.6
$1,000,000	146,000	584.9	130.0	83.0

From the above table, it is clear that while all three bills are more generous to the higher income groups than to lower income groups, the Ruml-Carlson plan is much more extreme in this effect. This may be perhaps clearer from the following illustrations:

A person with an income before taxes of $2,000 whose actual income after taxes is $1,860, under the Ruml-Carlson bill, would have $140 added to his $1,860 or slightly less than 4 weeks' actual income.

A person with $5,000 income before taxes whose actual income after taxes is $4,254 would have $746 added by the Ruml-Carlson bill or slightly less than 9 weeks' actual income.

The person with $10,000 income before taxes whose actual income after taxes is $7,848 would have $2,152 added, or nearly 14 weeks' actual income.

The person with $50,000 income before taxes whose actual income after taxes is $24,672 would have $25,328 added or a little more than 1 year's actual income.

The person with $100,000 income before taxes whose actual income after taxes is $35,940 would have $64,060 added or about 20 months' actual income.

The person with $1 million before taxes whose actual income after taxes is $146,000 would have $854,000 added or about 6 years' actual income.

Thus, the Ruml-Carlson plan would add actual incomes ranging from 4 weeks for the $2,000 man to 6 years for the million-dollar man.

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A third measure of the fairness of tax forgiveness is the comparison of the amounts of forgiveness with the amounts of tax increases which have been imposed to finance the defense and war efforts. These increases were contained in the Revenue Acts of 1940, 1941, and 1942. They were intended to impose fair and equitable wartime tax increases according to the judgment of Congress. What portion of these increases would be wiped out by tax forgiveness under the three bills at various levels of income? The answer to this question is seen in the following table for a few income levels.

Net income before personal exemption	Tax increases under acts of 1940, 1941, and 1942 for married person, no dependents	Amount forgiven as percent of tax increases under—		
		Ruml plan	House bill	Ways and Means Committee bill
		Percent	*Percent*	*Percent*
$2,000	$182	76.9	76.9	55.0
$3,000	469	69.1	69.1	40.9
$5,000	991	75.3	69.7	39.2
$10,000	2,740	78.5	58.9	31.4
$25,000	12,460	74.0	35.6	19.2
$100,000	62,833	102.0	29.7	18.1
$1,000,000	267,006	319.8	71.1	45.4

From the above table, it is seen that in terms of taxes imposed for the war effort, the Ruml-Carlson bill would wipe out the whole increase as of January 1, 1943, for taxpayers with incomes of over $100,000, and at the $1,000,000 level would confer additional benefits amounting to nearly $600,000. The other two bills avoid canceling a greater amount than the wartime tax increases, with respect to all taxpayers.

A fourth measure of the fairness of distributing forgiveness relates to the problem of increased taxes to finance the war. In the January 1943 Budget Message, the President asked for "not less than 16 billion dollars of additional funds by taxation, savings or both." In whatever form additional taxes are imposed, it is inevitable that by and large the increases will fall proportionately most heavily on the lower and middle incomes since it is not feasible to raise the rates on the higher incomes proportionally. The increased taxes will apply to periods subsequent to 1942. If 1942 taxes are to be forgiven for the purpose of getting the great mass of our taxpayers on a pay-as-you-go basis, it would seem obvious justice that insofar as possible those who benefit by the forgiveness should be subject at least to an equal amount of additional burdens. It would be grossly inequitable to forgive taxes to income groups on whom future tax increases cannot be imposed and then to impose heavy tax increases on other income groups.

With respect to the possibility of reimposing the canceled taxes on the same income levels, the following table shows the effective rates of tax increase which would have to be applied to selected net incomes under each plan to recoup over a 3-year period the tax forgiven on those amounts of income:

Net income before personal exemption	Effective rates of income and net Victory tax liability, present law, for married person, no dependents	Effective tax rate increase necessary to recoup canceled taxes at same income levels over a 3-year period		
		Ruml-Carlson bill	House bill	Ways and Means Committee bill
	Percent	*Percent*	*Percent*	*Percent*
$2,000	9.4	2.3	2.3	1.7
$3,000	13.5	3.6	3.6	2.1
$5,000	17.9	5.0	4.6	2.6
$10,000	24.7	7.2	5.4	2.9
$100,000	68.6	21.4	6.2	3.8
$1,000,000	89.9	28.5	6.3	4.0

From the above table, it is apparent that the effective rates necessary under the Ruml-Carlson bill necessary to offset the forgiven taxes by rate increases applied over three years would exceed 100 percent for the higher income brackets. The bracket rates of tax would have to be even higher.

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In the light of these facts, whatever other objections may be brought against the House bill and the Ways and Means Committee bill, these bills cannot properly be criticized as distributing 1942 tax forgiveness less uniformly and less fairly among taxpayers than the Ruml-Carlson bill. On the contrary they are much more equitable in their distribution of forgiveness than the Ruml-Carlson bill, which would result in a substantial redistribution of income in the direction of the higher income levels.

IX. Summary

With respect to the collection at the source and the current tax payment provisions, the Treasury believes there is little room for choice between the three major bills. All three provide for the fundamental change in tax payment methods which is necessary in our tax law. While the House bill does not place the higher surtax bracket incomes on a fully current basis, it must be recognized that the taxpayers in these brackets are best able to provide in advance for taxes.

Any choice between the three bills must, therefore, be based primarily upon the treatment provided with respect to the 1942 tax liability. Insofar as the distribution of forgiveness is concerned, the Treasury Department believes that both the Ways and Means Committee bill and the House bill distribute the cancelation of the 1942 tax on a reasonably equitable and fair basis. However, the smaller amount of cancelation under the Ways and Means Committee bill results in a substantial increase in the revenue collections in the next few years at a time when such an increase is vitally necessary. The Treasury therefore believes that the Ways and Means Committee bill possesses a definite advantage over the House bill. With respect to the Ruml-Carlson bill, as has already been indicated, the distribution of forgiveness is thoroughly inequitable and unfair. While this bill would produce some additional revenue in the fiscal year 1944, this aspect is more than offset by the factor of inequitable treatment of the 1942 tax. The Treasury therefore believes that the Ruml-Carlson bill is definitely inferior to both the Ways and Means Committee bill and the House bill.

Finally, I should like to emphasize an aspect of which your committee is fully aware, as indicated by the promptness with which these hearings have been commenced. This is the importance of prompt action in order to permit current collection to start by July 1 of this year. The Bureau of Internal Revenue has already taken preliminary steps to prepare for speedy inauguration of the current collection system should the Congress complete its action by May 15. I think it is vitally important both from the standpoint of the taxpayer and the standpoint of the Government to have collection at source under way by July 1. I therefore hope that the Committee will take action on this bill in time to permit accomplishment of this objective.

Exhibit A.—*Amounts of individual net income tax and effective rates of tax for 1942 under (1) present law, (2) Ruml-Carlson bill, (3) House bill, and (4) Ways and Means Committee bill at selected levels of net income, for married person with no dependents*

Net income before personal exemption [1]	Tax on 1942 income				Effective rates			
	Present law	Ruml-Carlson bill	House bill	Ways and Means Committee bill	Present law	Ruml-Carlson bill	House bill	Ways and Means Committee bill
					Percent	*Percent*	*Percent*	*Percent*
$1,200								
$1,500	$48				3.2			
$1,800	103			$22	5.7			1.2
$2,000	140			40	7.0			2.0
$2,500	232			86	9.3			3.4
$3,000	324			132	10.8			4.4
$4,000	532		$25	236	13.3		0.6	5.9
$5,000	746		55	358	14.9		1.1	7.2
$6,000	992		117	505	16.5		2.0	8.4
$8,000	1,532		289	861	19.2		3.6	10.8
$10,000	2,152		538	1,292	21.5		5.4	12.9
$15,000	4,052		1,513	2,705	27.0		10.1	18.0
$20,000	6,452		2,963	4,581	32.3		14.8	22.9
$25,000	9,220		4,783	6,824	36.9		19.1	27.3
$50,000	25,328		16,143	20,393	50.7		32.3	40.8
$100,000	64,060		45,370	52,703	64.1		45.4	52.7
$500,000	414,000		319,290	345,394	82.8		63.9	69.1
$1,000,000	854,000		664,250	732,874	85.4		66.4	73.3
$5,000,000	4,374,000		3,423,930	3,922,844	87.5		68.5	78.5

[1] Maximum earned net income assumed.

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EXHIBIT B.—*Amounts and percents of 1942 tax canceled under Ruml-Carlson bill, House bill, and Ways and Means Committee bill at selected levels of net income, for married person with no dependents*

Net income before personal exemption [1]	1942 income tax	Amount of 1942 tax canceled			Percent of 1942 tax canceled		
		Ruml-Carlson bill	House bill	Ways and Means Committee bill	Ruml-Carlson bill	House bill	Ways and Means Committee bill
					Percent	*Percent*	*Percent*
$1,200							
$1,500	$48	$48	$48	$48	100.0	100.0	100.0
$1,800	103	103	103	81	100.0	100.0	78.6
$2,000	140	140	140	100	100.0	100.0	71.4
$2,500	232	232	232	146	100.0	100.0	62.9
$3,000	324	324	324	192	100.0	100.0	59.3
$4,000	532	532	507	296	100.0	95.3	55.6
$5,000	746	746	691	388	100.0	92.6	52.0
$6,000	992	992	875	487	100.0	88.2	49.1
$8,000	1,532	1,532	1,243	671	100.0	81.1	43.8
$10,000	2,152	2,152	1,614	860	100.0	75.0	40.0
$15,000	4,052	4,052	2,539	1,347	100.0	62.7	33.2
$20,000	6,452	6,452	3,489	1,871	100.0	54.1	29.0
$25,000	9,220	9,220	4,437	2,396	100.0	48.1	26.0
$50,000	25,328	25,328	9,185	4,935	100.0	36.3	19.5
$100,000	64,060	64,060	18,690	11,357	100.0	29.2	17.7
$500,000	414,000	414,000	94,710	68,606	100.0	22.9	16.6
$1,000,000	854,000	854,000	189,750	121,126	100.0	22.2	14.2
$5,000,000	4,374,000	4,374,000	950,070	451,156	100.0	21.7	10.3

[1] Maximum earned net income assumed.

EXHIBIT C.—*Income and net Victory tax payments due in calendar year 1944, and effective rates under the Ruml-Carlson bill, House bill, and Ways and Means Committee bill at selected levels of net income,* [1] *for married person with no dependents*

Net income before personal exemption [2]	Under both the Ruml-Carlson bill and the House bill	Under the Ways and Means Committee bill	
		If no discount is taken	If 6 percent discount is taken [3]
	Tax payments due		
$1,200	$21	$21	$21
$1,500	79	79	79
$1,800	144	151	165
$2,000	188	201	226
$2,500	297	326	378
$3,000	405	449	529
$4,000	647	726	869
$5,000	894	1,013	1,231
$6,000	1,173	1,341	1,648
$8,000	1,780	2,067	2,589
$10,000	2,467	2,898	3,681
$15,000	4,533	5,435	7,076
$20,000	7,100	8,627	11,406
$25,000	10,035	12,310	16,450
$50,000	27,075	33,873	46,244
$100,000	68,584	86,152	118,125
$500,000	440,747	555,878	765,417
$1,000,000	[4] 899,000	1,143,291	1,587,902
$5,000,000	[4] 4,499,000	5,806,615	8,186,473

Footnotes at end of table.

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EXHIBIT C.—*Income and net Victory tax payments due in calendar year 1944, and effective rates under the Ruml-Carlson bill, House bill, and Ways and Means Committee bill at selected levels of net income,* [1] *for married person with no dependents*—Continued

Net income before personal exemption [2]	Under both the Ruml-Carlson bill and the House bill	Under the Ways and Means Committee bill	
		If no discount is taken	If 6 percent discount is taken [3]
	Effective rates		
	Percent	*Percent*	*Percent*
$1,200	1.8	1.8	1.8
$1,500	5.3	5.3	5.3
$1,800	8.0	8.4	9.2
$2,000	9.4	10.1	11.3
$2,500	11.9	13.0	15.1
$3,000	13.5	15.0	17.6
$4,000	16.2	18.2	21.7
$5,000	17.9	20.3	24.6
$6,000	19.6	22.4	27.5
$8,000	22.3	25.8	32.4
$10,000	24.7	29.0	36.8
$15,000	30.2	36.2	47.2
$20,000	35.5	43.1	57.0
$25,000	40.1	49.2	65.8
$50,000	54.2	67.7	92.5
$100,000	68.6	86.2	118.1
$500,000	88.1	111.2	153.1
$1,000,000	[4] 89.9	114.3	158.8
$5,000,000	[4] 90.0	116.1	163.7

[1] Net income for 1942, 1943, and 1944 assumed to be same. For Victory tax purposes, gross income assumed to be ten-ninths of net income. Net Victory tax is used on assumption that taxpayer receives current benefit of post-war credit.

[2] Maximum earned net income assumed.

[3] Under the Ways and Means Committee bill a discount of 6 percent is allowed if the entire amount of the reduced tax for 1942 is paid on or before Mar. 15, 1944.

[4] Taking into account maximum effective rate limitation of 90 percent on combined net income and Victory tax.

EXHIBIT D.—*Approximate distribution of income recipients by percentage of total liabilities discharged currently under the House bill (calendar year 1943)*

Percentage of total liability discharged currently	Number of taxable income recipients (millions)	Percentage of all taxable income recipients	Cumulative percentage of all taxable income recipients	Maximum amount of tax not discharged currently
100	38.7	88.8	88.8	----
90–100	4.2	9.6	98.4	$90
75–90	.3	.7	99.1	550
50–75	.3	.7	99.8	4,200
25–50	.1	.2	100.0	115,000
Less than 25	.002	.004	100.0	----
Total	43.6	100.0	----	----

EXHIBIT E.—*Estimated income tax liabilities due under the Carlson amendment, as amended, to H. R. 2570 as voted on in the House of Representatives May 4, 1943, which would:*

(1) Remit to all taxpayers the net income tax liabilities on calendar year 1942 income as modified in provision (2).

(2) Allow any member of the armed forces in active service an exclusion from base pay received after December 31, 1941, equal to the excess of $3,500 over the personal exemption claimed by such member (and by his spouse if such member is married and living with his spouse on the last day of the taxable year, and such spouse is not entitled to the benefit of this allowance).

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(3) By June 15, 1943, require payment of at least one-half of proposed net income tax liabilities on income of the calendar year 1942, to be treated as payments toward income tax liabilities on calendar year 1943 income.

(4) Withhold after June 30, 1943, from salaries and wages in excess of the withholding allowance (110 percent of the personal exemption and dependent credit) at a rate of 17 percent; and in addition withhold from salaries and wages in excess of an annual rate of $624 at a rate of 3 percent, in lieu of the 5 percent Victory tax now withheld on salaries and wages.

(5) For those taxpayers whose calendar year 1942 and calendar year 1943 surtax net incomes exceed calendar year 1940 surtax net income by more than $5,000, compute an additional calendar year 1943 tax liability as follows: From the smaller of the surtax net income of the calendar years 1942 and 1943, deduct the sum of $5,000 plus the calendar year 1940 surtax net income. The additional tax is the sum of 6 percent of such difference plus the surtax computed on such difference at present law rates, and is due by December 15, 1943.

(6) For those taxpayers whose present law calendar year 1942 net income tax liability is both greater than $1,050 and greater than the calendar year 1943 tax liability, add to present law calendar year 1943 net income tax liabilities the smaller of the excesses of present law calendar year 1942 net income tax liabilities over (*a*) $1,050 or (*b*) present law calendar year 1943 net income tax liabilities. This additional tax is due by December 15, 1943.

(7) Require that total proposed tax liabilities (comprising the proposed net Victory tax and the proposed net income tax but excluding the two additional taxes described in provisions (5) and (6)) on incomes of the calendar years 1943 and subsequent years be paid currently. Quarterly payments are required on September 15 and December 15, 1943, to discharge such part of the proposed tax liabilities on income of the calendar year 1943 required to be paid currently as is not withheld during the calendar year 1943 or discharged by payments prior to June 15, 1943. Quarterly payments are required in subsequent years in such amounts that, together with the amounts withheld, tax liabilities will be paid currently.

	(*Million dollars*)
Estimated income tax liabilities due: [1]	
Last 6 months of fiscal year 1943	5,277.7
First 6 months of fiscal year 1944	8,383.3
Last 6 months of fiscal year 1944	6,879.8
Total, 18 months, Jan. 1, 1943–June 30, 1944	20,540.8
Calendar year 1943	13,661.0
Fiscal year 1944	15,263.1
Reconciliation of total proposed income tax liabilities, 18 months, Jan. 1, 1943–June 30, 1944, with total tax liabilities under present law on incomes of the calendar years 1942, 1943, and 1944—	
Total income tax liabilities, 18 months period, Jan. 1, 1943–June 30, 1944	20,540.8
Amount withheld but not received until after June 30, 1944 (3 months' withholding)	1,462.6
Proposed net income tax and Victory tax liabilities through Dec. 31, 1944, not withheld or paid through June 30, 1944	6,957.0
Reduction proposed in tax liabilities of the armed forces on incomes of the calendar years 1942, 1943, and 1944 [2]	1,967.7
Proposed net income tax liabilities remitted in addition to the special exclusion allowed to the armed forces	9,451.3
Elimination of additions to 1943 net income tax liabilities—	
"Windfall provision"	−455.9
"Excess profits tax"	−676.9
Total tax liabilities under present law on income of the calendar years 1942, 1943, and 1944	39,246.6
Total tax liabilities under Carlson proposal on income of the calendar years 1942, 1943, and 1944	28,960.4

NOTE.—Figures are rounded and will not necessarily add to totals.

[1] Total taxable income for a calendar year is assumed to be distributed equally among the four quarters of the year. Calendar year 1944 income has not been forecast, but has been assumed to be the same as forecast for calendar year 1943.

[2] The loss with respect to tax liabilities on income of the calendar year 1944 should be somewhat greater, but has been assumed to be the same as on income of the calendar year 1943. Calendar year 1942 and calendar year 1943 net income tax liabilities are reduced by $363.9 millions and $670.1 millions, respectively. Calendar year 1943 net Victory tax liabilities are reduced by $131.8 millions.

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EXHIBIT F.—*Estimated income tax liabilities [1] due under H. R. 2577 as passed by the House of Representatives on May 4, 1943. The estimates assume that H. R. 2577 would:*

(1) Remit the basic tax liabilities on income of the calendar year 1942 (normal tax plus 13 percent of entire surtax net income).[2]

(2) Allow any member of the armed forces in active service an exclusion from base pay received after December 31, 1941, equal to the excess of $3,500 over the personal exemption claimed by such member (and by his spouse if such member is married and living with his spouse on the last day of the taxable year and such spouse is not entitled to the benefit of this allowance).

(3) By June 15, 1943, require payment of at least one-half of proposed net income tax liabilities (prior to remission of basic tax liabilities) on income of the calendar year 1942.

(4) Withhold after June 30, 1943, from salaries and wages in excess of the withholding allowance (110 percent of the personal exemption and dependent credit) at a rate of 17 percent; and in addition withhold from salaries and wages in excess of an annual rate of $624 at a rate of 3 percent, in lieu of the 5 percent Victory tax now withheld on salaries and wages.

(5) In case gross income from sources other than salaries and wages can reasonably be expected to exceed $100 for the current calendar year, require certain current payments to be applied toward basic tax liabilities and net Victory tax liabilities not withheld at source.[2] Such current payments are equal to 20 percent of the excess of estimated net income over the larger of (*a*) estimated salaries and wages or (*b*) personal exemption plus dependent credit.

(6) Require that any basic tax liabilities or net Victory tax liabilities not paid currently be paid by March 15 of the following year.[2]

(7) Require payments of "balance tax liabilities" (the excess of total net income tax liabilities over liabilities for basic tax [2] equal to normal tax plus 13 percent of entire surtax net income) to be collected as under present law; namely, in the year following the calendar year in which the taxable income is received.

	(*In millions of dollars*)
Estimated income tax liabilities due:	
Last 6 months of fiscal year 1943	5,277.7
First 6 months of fiscal year 1944	5,102.5
Last 6 months of fiscal year 1944	7,920.3
Total, 18 months, Jan. 1, 1943–June 30, 1944	18,300.5
Calendar year 1943	10,380.2
Fiscal year 1944	13,022.8
Reconciliation of total income tax liabilities, 18 months Jan. 1, 1943–June 30, 1944 with total income tax liabilities under present law on incomes of the calendar years 1942, 1943, and 1944—	
Total tax liabilities, 18 months period, Jan. 1, 1943–June 30, 1944	18,300.5
Amount withheld but not received until after June 30, 1944 (3 months' withholding)	1,462.6
Proposed tax liabilities through Dec. 31, 1944, not withheld or paid through June 30, 1944:	
Calendar year 1943 liabilities	1,375.6
Calendar year 1944 liabilities	8,902.3
Total	10,277.9
Reduction proposed in tax liabilities of the armed forces on incomes of the calendar years 1942, 1943, and 1944 [3]	1,967.7
Proposed calendar year 1942 basic tax liabilities remitted in addition to the special exclusion allowed to the armed forces	7,237.9
Total tax liabilities under present law on income of the 36-month period, Jan. 1, 1942–Dec. 31, 1944	39,246.6
Total tax liabilities under H. R. 2577 on income of the 36-month period, Jan. 1, 1942–Dec. 31, 1944	30,041.0

NOTE.—Figures are rounded and will not necessarily add to totals.

[1] Total taxable income for a calendar year is assumed to be distributed equally among the four quarters of the year. Calendar year 1944 income has not been forecast, but has been assumed to be the same as forecast for calendar year 1943.

[2] The bill includes the net Victory tax liability of the calendar year 1943 and subsequent years as a part of basic tax liability. For convenience in estimating, net Victory tax liabilities are treated separately.

[3] The loss with respect to tax liabilities on income of the calendar year 1944 should be somewhat greater, but has been assumed to be the same as on income of the calendar year 1943. Calendar year 1942 and calendar year 1943 net income tax liabilities are reduced by $363.9 millions and $670.1 millions, respectively. Calendar year 1943 net Victory tax liabilities are reduced by $131.8 millions.

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EXHIBIT G.—*Estimated income tax liabilities* [1] *due under H. R. 2570 as reported by the Committee on Ways and Means, April 24, 1943, which would:*

(1) Remit to all taxpayers the difference between the net income tax liabilities on calendar year 1942 incomes as modified in provision (2) and such liabilities computed under a rate schedule applied to calendar year 1942 tax liabilities which approximates the yield derived by using the lower tax rates and the larger personal exemptions and dependent credit of the Revenue Act of 1941.

(2) Allow any member of the armed forces in active service an exclusion from base pay received after December 31, 1941, equal to the excess of $3,500 over the personal exemption claimed by such member (and by his spouse if such member is married and living with his spouse on the last day of the taxable year and such spouse is not entitled to the benefit of this allowance).

(3) By June 15, 1943, require payment of at least one-half of proposed net income tax liabilities on income of the calendar year 1942.

(4) Withhold after June 30, 1943, from salaries and wages in excess of the withholding allowance (110 percent of the personal exemption and dependent credit) at a rate of 17 percent; and in addition withhold from salaries and wages in excess of an annual rate of $624 at a rate of 3 percent, in lieu of the 5 percent Victory tax now withheld on salaries and wages.

(5) Require the unremitted 1942 tax liabilities to be paid over a period of three years, one-third being due by March 15 of each of the years 1944, 1945, and 1946.

(6) Allow a discount of 6 percent of the unremitted tax if paid in full by March 15, 1944, and a discount of 2 percent if paid in full by March 15, 1945.

(7) Require that total proposed tax liabilities (including the net Victory tax) on incomes of the calendar years 1943 and subsequent years be paid currently. Quarterly payments are required on September 15 and December 15, 1943, to discharge such part of the proposed tax liabilities on income of the calendar year 1943 as is not withheld during calendar year 1943 or discharged by payments prior to June 15, 1943. Quarterly payments are required in subsequent years in such amounts that, together with the amounts withheld, tax liabilities will be paid currently.

[In millions of dollars]

	Maximum discounts taken	No discounts taken
Estimated income tax liabilities:		
Last 6 months of fiscal year 1943	5,277.7	5,277.7
First 6 months of fiscal year 1944	7,250.5	7,250.5
Last 6 months of fiscal year 1944	11,372.8	8,473.1
Total, 18 months, Jan. 1, 1943–June 30, 1944	23,901.0	21,001.3
Calendar year 1943	12,528.2	12,528.2
Fiscal year 1944	18,623.3	15,723.6
Reconciliation of total tax liabilities, 18 months, Jan. 1, 1943–June 30, 1944, with total tax liabilities under present law on incomes of the calendar years 1942, 1943, and 1944—		
Total tax liabilities, 18 months' period, Jan. 1, 1943–June 30, 1944	23,901.0	21,001.3
Amount withheld but not received until after June 30, 1944 (3 months withholding)	1,462.6	1,462.6
Proposed tax liabilities through Dec. 31, 1944, not withheld or paid through June 30, 1944	6,957.0	10,143.5
Reduction proposed in tax liabilities of the armed forces on incomes of the calendar years 1942, 1943, and 1944 [2]	1,967.7	1,967.7
Proposed calendar year 1942 net income tax liabilities remitted	4,671.6	4,671.6
Discount allowed for prepayment of unremitted tax liabilities on calendar year 1942 income	286.8	
Total tax liabilities under present law on income of the calendar years 1942, 1943, and 1944	39,246.7	39,246.7
Total tax liabilities under H. R. 2570 on income of the calendar years 1942, 1943, and 1944	32,320.6	32,607.4

NOTE.—Figures are rounded and will not necessarily add to totals.

[1] Total taxable income for a calendar year is assumed to be distributed equally among the four quarters of the year. Calendar year 1944 income has not been forecast, but has been assumed to be the same as forecast for calendar year 1943.

[2] The loss with respect to tax liabilities on income of the calendar year 1944 should be somewhat greater, but has been assumed to be the same as on income of the calendar year 1943.

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EXHIBIT H.—*Estimated receipts under present law* [1]

[In millions of dollars]

	Last 6 months of fiscal 1943	First 6 months of fiscal 1944	Last 6 months of fiscal 1944	Total 18 months, Jan. 1, 1943–June 30, 1944
Net income tax liability, calendar year 1942, in quarterly payments	4,907.6	4,907.6		9,815.2
Net income tax liability, calendar year 1943, in quarterly payments			5,994.6	5,994.6
Present law withholding	552.0	1,104.0	1,104.0	2,760.0
March 1944 adjustment:				
Net Victory tax liability, calendar year 1943 2,726.5				
Total withholdings 2,208.0				
Withholdings in excess of net Victory tax liability 740.0				
Withholdings offset against net Victory tax liability −1,468.0				
Net Victory tax liability of calendar year 1943 not paid in calendar year 1943 1,258.5				
Payment in first 6 months of calendar year 1944 of one-half of net Victory tax liability of calendar year 1943 not paid in calendar year 1943			629.3	629.3
Refund to those having excess of Victory tax withholdings over sum of net income tax plus net Victory tax liability			−175.0	−175.0
Excess of withholdings over net Victory tax liability which is offset against net income tax liability on income of calendar year 1943			−565.0	−565.0
Total receipts	5,459.6	6,011.6	6,987.9	18,459.1
Reconciliation of total receipts, 18 months, Jan. 1, 1943–June 30, 1944, with total tax liabilities under present law on income of the calendar years 1942, 1943, and 1944:				
Victory tax withheld but not received in the first 6 months of calendar year 1944				552.0
Victory tax which will be withheld in last 6 months of calendar year 1944				1,104.0
Victory tax withholdings in excess of net Victory tax liability for calendar year 1944				−740.0
Calendar year 1943 Victory tax liability not received before July 1, 1944				629.3
Calendar year 1944 Victory tax liability not due until 1945				1,258.5
Net income tax liability on calendar year 1943 income not received before July 1, 1944				5,994.6
Net income tax liability on calendar year 1944 income not due until 1945				11,989.2
Total				39,246.7

[1] Total taxable income for a calendar year is assumed to be distributed equally among the four quarters of the year. Calendar year 1944 income has not been forecast, but has been assumed to be the same as forecast for calendar year 1943.

Exhibit 85

Letter to the President from the Secretary of the Treasury, Secretary of Labor, Director of the Budget, Administrator of the Federal Security Agency, and Chairman of the Social Security Board, October 1, 1942, relative to the freezing of the social security contributions rate

WASHINGTON, D. C., *October 1, 1942.*

DEAR MR. PRESIDENT:

In connection with its consideration of the 1942 revenue bill, the Senate Finance Committee has adopted an amendment offered by Senator Vandenberg which would freeze the contributions of employers and employees for old-age and survivors insurance at the present level of 1 percent. Under existing law, the rate of contributions will increase automatically to 2 percent on January 1, 1943.

We believe that adoption of the Vandenberg amendment, particularly at this time when employment and wages are at record levels, would jeopardize the

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financial stability of the old-age and survivors insurance system, would interfere with the anticipated consideration of a more comprehensive Social Security program by the Congress and would necessitate adjustments in the Government's plans for war financing and inflation control.

We urge you to inform the Chairman of the Senate Finance Committee and the Chairman of the Ways and Means Committee that it is essential to allow the increased rate of contributions to go into effect on January 1, 1943, as provided by existing law. We also suggest that you indicate your intention to submit to the committees, as soon as their work on the current tax bill is completed, a plan for a comprehensive expansion and extension of the Social Security program along the lines of your January Budget Message.

We are advised that labor groups are vigorously opposed to a reduction in the scheduled rate of contributions. President Green of the American Federation of Labor, in a letter addressed to Senator George, has taken a very strong position against the Vandenberg amendment and has urged the adoption of "an extended social security program financed by equal contributions of at least 5 percent of payrolls by both employers and employees." President Murray of the Congress of Industrial Organizations has also taken a strong stand against the Vandenberg amendment.

Suggested letters to Senator George and Congressman Doughton, prepared for your signature, are attached.[1]

Faithfully yours,

HENRY MORGENTHAU, Jr.,
Secretary of the Treasury.
FRANCES PERKINS,
Secretary of Labor.
HAROLD D. SMITH,
Director of the Budget.
PAUL V. MCNUTT,
Administrator,
Federal Security Agency.

THE PRESIDENT,
THE WHITE HOUSE.

ARTHUR J. ALTMEYER,
Chairman, Social Security Board.

MISCELLANEOUS

Exhibit 86

Section 10 of the act to provide for a method of voting, in time of war, by members of the land and naval forces absent from the place of their residence (Public Law 712, September 16, 1942)

SEC. 10. (a) There are authorized to be appropriated, to be expended as provided in this section, such amounts as may be necessary to pay the expenses of carrying out the provisions of this Act, including the expense of preparing and printing post cards, official war ballots, booklets, envelopes, instructions, and other supplies, and the cost of mailing and express charges. The Secretary of the Treasury shall make estimates of the amounts to be paid to any State for such purposes, such estimates to be based on reports filed by the secretary of state of the State containing his estimates of the sum which it will be necessary to expend.

(b) The Secretary of the Treasury shall, through the Division of Disbursements of the Treasury Department and prior to audit or settlement by the General Accounting Office, pay to each State the amounts estimated by him to be necessary for the purpose of carrying out the provisions of this Act, subject to the conditions that the use of such amounts shall be properly accounted for, and any part of such amounts not needed shall be returned to the Secretary of the Treasury upon his demand.

[1] Copies omitted.

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Exhibit 87

Letter from the President to the Secretary of the Treasury, October 15, 1942, relative to staggered pay days for Government employees

THE WHITE HOUSE,
Washington, October 15, 1942.

MY DEAR MR. SECRETARY: The Director of the Bureau of the Budget has submitted to me a proposal for the extensive staggering of the dates for payment of salaries to Federal employees in metropolitan Washington which, I am informed, has been worked out jointly by your staff and the staff of the Bureau of the Budget and has your approval.

It is my understanding that the objectives sought are to establish a staggered pay-day plan which will include practically all Government employees in metropolitan Washington, to avoid congestion at check-cashing facilities by paying employees of agencies located in the same area on different days, and by greatly reducing and equalizing the number of employees paid each pay day to spread more evenly the flow of money into Washington commercial establishments, to alleviate shopping and banking inconveniences for Government employees and the public generally, and to spread the administrative work load incident to the payment of Federal salaries.

In order that the benefits inherent in the proposal may be realized, you are requested to increase from four to fourteen the number of semimonthly pay periods and pay days for Federal employees in metropolitan Washington paid by the Treasury Department beginning November 1, 1942, or as soon thereafter as possible, and to arrange, in collaboration with the heads of the agencies concerned, for the payment of these employees in accordance with the schedule worked out by your staff and the staff of the Bureau of the Budget. No change should be made in this schedule of agencies paid by the Treasury Department unless the Secretary of the Treasury feels that a change is necessary in the public interest. I understand that an adjustment pay check or a larger pay check will be issued as promptly as possible to each employee whose pay days are changed for work performed from the end of his present pay period to the beginning of his new pay period.

It occurs to me that coincident with this plan for easing the congestion at check-cashing facilities, it would be well to give consideration to the possibilities of extending the practice of paying employees in the lower grades in cash.

Sincerely yours,

FRANKLIN D. ROOSEVELT.

The Honorable THE SECRETARY OF THE TREASURY.

Exhibit 88

An act to provide for the orderly transaction of the public business in the event of the death or of the resignation or separation from office of the Chief Disbursing Officer

[Public Law 841, 77th Cong., H. R. 6447]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That in case of the death or of the resignation or separation from office of the Chief Disbursing Officer, Treasury Department, the accounts of the Chief Disbursing Officer may be continued and payments made in his name by an Assistant Chief Disbursing Officer, designated by the Secretary of the Treasury, for a period of time not to extend beyond the last day of the second month following the month in which the death, resignation, or separation shall occur. Such accounts and payments shall be allowed, audited, and settled in the General Accounting Office, and the checks signed in the name of the former Chief Disbursing Officer shall be honored by the Treasurer of the United States, in the same manner as if the former Chief Disbursing Officer had continued in office. The former Chief Disbursing Officer, his estate, or the sureties on his official bond, shall not be subject to any legal liability or penalty for the official acts and defaults of the Assistant Chief Disbursing Officer acting in the name or in the place of the former Chief Disbursing Officer under this Act, but the Assistant Chief Disbursing Officer and his sureties shall be responsible therefor under their bond. The bond for the Acting Chief Disbursing Officer shall be an amount at

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least equal to the minimum amount of the bond required of the Chief Disbursing Officer. The Secretary of the Treasury may, from time to time, require the Assistant Chief Disbursing Officer to renew and increase his bond to the United States.

Approved, December 24, 1942.

Exhibit 89

Executive Order No. 9235, August 31, 1942, providing for the effective utilization of supplies and equipment by Government agencies

By virtue of the authority vested in me by Title I of the First War Powers Act, 1941 (Public Law 354—77th Cong.), by Title II of the Budget and Accounting Act, 1921 (42 Stat. 20), and as President of the United States, and for the purpose of providing such general direction and control over the use of supplies and equipment in the Executive branch of the Government as will insure the most economical and effective utilization thereof, it is hereby ordered as follows:

1. As used in this order:

(a) *Government agency* means any executive department, independent establishment, agency, commission, board, bureau, division, administration, service, or office of the Executive branch of the Federal Government, including any independent regulatory commission or board and any Government-owned or Government-controlled corporation.

(b) *Supplies and equipment* means any and all supplies, equipment, machines, commodities, accessories, parts, assemblies, or products of any kind in the possession of any Government agency, whether new or used, in use or in storage: *Provided*, That supplies and equipment which the Director of the Bureau of the Budget determines to be within the following categories shall not be subject to this order: (1) tactical supplies and equipment of the War Department, the Navy Department, or the United States Maritime Commission, (2) food and clothing, (3) construction materials acquired for the maintenance or construction of housing, electric power works or facilities, roads, reservoirs, or other physical improvements, (4) supplies and equipment acquired by any Government agency for transfer or export to any foreign government, and (5) supplies and equipment acquired from foreign or domestic sources for stock piling in connection with the war.

2. The Director of the Bureau of the Budget, acting through such assistants as he may designate, shall:

(a) Survey supplies and equipment in possession of Government agencies and the utilization thereof. For this purpose he may require the Government agencies to submit reports and estimates in such form and at such times as he may find necessary: *Provided*, That in making such surveys he shall utilize, subject to the approval of the Secretary of the Treasury, the services and facilities of the Procurement Division of the Treasury Department;

(b) Develop and promulgate such qualitative and quantitative standards with respect to supplies and equipment used by Government agencies as he may deem necessary to effectuate the purposes of this order;

(c) Require, when, in his opinion, such action is necessary or expedient, the transfer from one Government agency to another, for permanent or temporary use, of such supplies and equipment as he may determine to be surplus to the needs of one agency and essential to the needs of another agency;

(d) Consult with and seek the advice of the War Production Board in connection with the administration of paragraphs (a), (b), and (c) above;

(e) Issue such regulations and directives as may be necessary to effectuate this order.

(3) The Procurement Division of the Treasury Department shall undertake such warehousing, rehabilitation, and physical distribution of supplies, and equipment for Government agencies, and, in connection therewith, shall take over such Government warehouses, appurtenant facilities, and personnel used or employed by other Government agencies in the performance of these functions, together with such funds heretofore or hereafter provided therefor, as the Director of the Bureau of the Budget may approve.

4. This order shall become effective October 16, 1942, and shall continue in force and effect so long as Title I of the First War Powers Act, 1941, remains in force.

5. This order shall be published in the Federal Register.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *August 31, 1942.*

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Exhibit 90

An act to provide for the settlement of certain claims of the Government of the United States on behalf of American nationals against the Government of Mexico

[Public Law 814, 77th Cong., S. 2528]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Settlement of Mexican Claims Act of 1942."

SEC. 2. (a) There is hereby established a commission to be known as the American Mexican Claims Commission (hereinafter referred to as the "Commission") and to be composed of three persons to be appointed by the President, by and with the advice and consent of the Senate. Each member of the Commission shall receive a salary at the rate of $10,000 a year. One of such members shall be designated by the President as Chairman of the Commission. Two members of the Commission shall constitute a quorum for the transaction of business. Any vacancy that may occur in the membership of the Commission shall be filled in the same manner as in the case of an original appointment.

(b) The Commission may, without regard to the civil-service laws, employ a secretary, and such legal, clerical, and technical assistants as may be necessary to carry out its functions under this Act, and shall fix their compensation without regard to the Classification Act of 1923, as amended.

(c) The Commission is authorized to make such rules and regulations as may be necessary to carry out its functions under this Act.

(d) The authority of the Commission under this Act, and the terms of office of its members, shall terminate at the expiration of two years after the date on which a majority of its members first appointed take office, but the President may by Executive order fix an earlier termination date. Upon the termination of the authority of the Commission, all books, records, documents, and other papers in the possession of the Commission shall be deposited with the Department of State.

SEC. 3. (a) The Commission shall have authority to examine and render final decisions in the following categories of claims on behalf of American nationals against the Government of Mexico—

(1) Agrarian claims which arose between January 1, 1927, and August 30, 1927, inclusive, and which were not filed with the General Claims Commission established pursuant to the Convention between the United States and Mexico signed September 8, 1923 (43 Stat. 1730);

(2) Agrarian claims which are predicated upon provisional expropriation decrees signed between August 31, 1927, and December 1, 1938, inclusive, but not published prior to December 1, 1938, and which were not filed with the Agrarian Claims Commission established pursuant to the agreement between the United States and Mexico effected by exchange of notes signed on November 9 and November 12, 1938, respectively (hereinafter referred to as the Agrarian Claims Agreement of 1938);

(3) Agrarian claims which arose between December 1, 1938, and October 6, 1940, inclusive, and which were not filed with the Agrarian Claims Commission on or before July 31, 1939;

(4) All other claims which arose between January 1, 1927, and October 6, 1940, inclusive, and which involve international responsibility of the Government of Mexico as a consequence of damage to, or loss or destruction of, or wrongful interference with, property of American nationals; except (A) claims predicated upon acts of Mexican authorities in relation to petroleum properties; and (B) claims which were not filed with the General Claims Commission prior to August 31, 1927, and which are predicated upon default of payment of the principal or interest on bonds issued or guaranteed by the Government of Mexico;

(5) Claims or parts of claims which were filed with the General Claims Commission, and also with the Special Claims Commission, established pursuant to the Convention between the United States and Mexico signed September 10, 1923 (43 Stat. 1722), and with respect to which no final determination on the merits has been made; and

(6) Any claim in which a decision was not rendered by the General Claims Commission in conformity with the rules of procedure adopted by such commission.

(b) All claims in the categories specified in subsection (a) may be presented for any losses or damages suffered by American nationals by reason of losses or damages suffered by any foreign corporation, company, association, or partner-

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ship in which such nationals have, or have had, a substantial and bona fide interest: *Provided*, That in all such cases the claimant shall present to the Commission either an allotment to him by the corporation, company, association, or partnership of his proportionate share of the loss or damage suffered, or other evidence thereof which is satisfactory to the Commission.

(c) All decisions by the Commission with respect to the claims in the categories specified in subsection (a) shall be based upon such evidence and written legal contentions as may be presented within such period as may be prescribed therefor by the Commission, and upon the results of such independent investigation with respect to such claims as the Commission may deem it advisable to make; except that with respect to any claim referred to in paragraph (6) of subsection (a), the Commission shall decide the case upon the basis of the record before the General Claims Commission.

SEC. 4. (a) The Commission shall also have authority, within its discretion, as hereinafter provided to examine and render final decisions (1) in those cases in which the two Commissioners designated by the United States and Mexico, respectively, pursuant to the General Claims Protocol between the United States and Mexico signed April 24, 1934 (48 Stat. 1844), failed to reach agreements and the Commissioner so designated by the United States made appraisals, and (2) in those cases in which appraisals were made by the Commissioner designated by the United States pursuant to the Agrarian Claims Agreement of 1938.

(b) In connection with such cases, the Commission shall, as soon as practicable, notify each claimant, or his attorney, by registered mail to his last-known address, of the appraisals so made. Within a period of thirty days after the mailing of such notice, the claimant shall notify the Commission in writing whether the appraisal so made is accepted as final and binding, or whether a petition for review will be filed as provided in subsection (c). If the claimant fails to so notify the Commission in writing within such period, or if the Commission is notified within such period of the final acceptance of such appraisal, it shall, at the expiration of such period, enter an award on the basis of such appraisal and certify such award to the Secretary of the Treasury.

(c) In any case in which the Commission is so notified in writing that a petition for review will be filed, the Commission shall prescribe a reasonable period, which may be extended in the discretion of the Commission, within which such petition, together with written legal contentions in support thereof, shall be filed. If no petition for review is filed within the period or any extension thereof prescribed by the Commission, it shall enter an award on the basis of the appraisal in such case and certify such award to the Secretary of the Treasury.

(d) In any case in which a petition for review is filed within the period prescribed in subsection (c), the Commission shall, if it determines to review such case, decide the case upon the basis of (1) the record before the Commissioner at the time his appraisal in such case was made, and (2) the written legal contentions filed with such petition or in connection therewith: *Provided*, That the Commission may, in its descretion, receive and consider additional evidence with respect to any claim in which it is established to the satisfaction of the Commission that it was impossible for either the claimant or his attorney, despite the exercise of due diligence, to obtain and file such evidence within any period prescribed for such filing by or in accordance with the applicable agreements between the Government of the United States and the Government of Mexico, or by or in accordance with the applicable rules adopted pursuant to such agreements.

SEC. 5. (a) All claims decided by the Commission shall be decided in accordance with the applicable provisions of the Convention of September 8, 1923, the Convention of September 10, 1923, or the Agrarian Claims Agreement of 1938, as the case may be; and all claims decided by the Commission which are not within the purview of either of such Conventions or such Agreement shall be decided in accordance with the applicable principles of international law, justice, and equity.

(b) Each decision by the Commission pursuant to this Act shall be by majority vote, shall state the reasons for such decision, and shall constitute a full and final disposition of the case in which the decision is rendered.

(c) In connection with any claim decided by the Commission pursuant to this Act in which an award is made, the Commission may, upon the written request of the claimant or any attorney heretofore or hereafter employed by such claimant, determine and apportion the just and reasonable attorneys' fees for services rendered with respect to such claim, but the total amount of the fees so determined in any case shall not exceed 10 per centum of the amount of the award, unless in special circumstances the Commission shall find that a larger fee is just and reasonable. Any fees so determined shall be entered as a part of such award, and payment thereof shall be made by the Secretary of the Treasury.

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Any person who accepts any compensation for services rendered with respect to such claim which, when added to any amount previously received on account of such services, will exceed the amount of fees so determined by the Commission, shall, upon conviction thereof, be fined not more than $1,000.

(d) The Commission shall, upon the completion of its work, certify in duplicate to the Secretary of State and to the Secretary of the Treasury the following—

(1) A list of all claims disallowed;

(2) A list of all claims allowed, in whole or in part (together with the amount of each claim and the amount awarded thereon) which have not been previously certified under section 4 (b) or 4 (c); and

(3) A copy of the decision rendered in each case.

SEC. 6. (a) For the purposes of this Act, the following determinations heretofore made with respect to claims on behalf of American nationals against the Government of Mexico shall be regarded as final and binding—

(1) Decisions rendered by the General Claims Commission, except in the cases referred to in paragraph (6) of section 3 (a) of this Act;

(2) Appraisals agreed upon by the Commissioners designated by the Governments of the United States and Mexico, respectively, pursuant to the General Claims Protocol between the United States and Mexico signed April 24, 1934 (48 Stat. 1844);

(3) Appraisals made by the Commissioner designated by the Government of the United States in those cases in which the two Commissioners designated pursuant to said Protocol failed to agree upon appraisals, except where such appraisals are reviewed by the Commission pursuant to section 4; and

(4) Appraisals made by the Commissioner designated by the Government of the United States pursuant to the Agrarian Claims Agreement of 1938, except where such appraisals are reviewed by the Commission pursuant to section 4.

(b) The Secretary of State shall, as soon as possible, certify to the Secretary of the Treasury lists of the awards and appraisals made in favor of American nationals in the cases referred to in paragraphs (1) and (2) of subsection (a).

SEC. 7. For the purposes of this Act, appraisals made in favor of American nationals in terms of Mexican currency shall be converted into currency of the United States at the exchange rate of $0.4985, and in any case in which an award or appraisal made in favor of an American national bears interest, such interest shall be simple interest computed at 6 per centum per annum and shall run from the date specified in such award or appraisal to November 19, 1941.

SEC. 8. (a) There is hereby created in the Treasury of the United States a special fund to be known as the "Mexican Claims Fund", hereinafter called the "fund". All payments authorized under section 9 of this Act shall be disbursed from the fund, and all amounts covered into the Treasury to the credit of the fund, less the amount of the deduction provided for in section 10 (b), are hereby permanently appropriated for the making of the payments authorized by such section.

(b) The Secretary of the Treasury is authorized and directed to cover into the fund—

(1) the sum of $3,000,000, representing the total amount of payments heretofore made by the Government of Mexico under the Agrarian Claims Agreement of 1938;

(2) the sum of $3,000,000, which was paid by the Government of Mexico upon exchange of ratifications of the Convention signed November 19, 1941;

(3) such other sums as are paid by the Government of Mexico pursuant to the provisions of the said Convention; and

(4) the sum of $533,658.95, which is hereby authorized to be appropriated, out of any moneys in the Treasury not otherwise appropriated, and which represents the total amount of awards and appraisals, plus interest, made with respect to the claims on behalf of Mexican nationals against the Government of the United States which were filed with the General Claims Commission.

(c) The Secretary of the Treasury is authorized and directed, out of the sums covered into the fund pursuant to subsection (b) of this section, and after making the deduction provided for in section 10 (b), to make payments on account of awards and appraisals certified pursuant to sections 4 (b), 4 (c), and 6 (b) of this Act, of an amount not to exceed 30 per centum of the award or appraisal in each case, exclusive of interest.

(d) The Secretary of the Treasury is authorized and directed, to the extent that it may be possible to do so out of the sums covered into the fund pursuant to

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subsection (b) of this section, and after making the deduction provided for in section 10 (b)—

(1) to make similar payments of not to exceed 30 per centum on account of the principal amount of the awards certified pursuant to section 5 (d) of this Act.

(2) after completing the payments prescribed by paragraph (1) of this subsection, to make payments, from time to time and in ratable proportions, on account of all awards and appraisals certified pursuant to the provisions of this Act, according to the proportions which the respective awards and appraisals, exclusive of interest, bear to the total amount in the fund available for distribution at the time such payments are made; and

(3) after payment has been made of the principal amounts of all such awards and appraisals, to make pro rata payments on account of accrued interest on such awards and appraisals as bear interest.

SEC. 9. (a) Subject to the limitations hereinafter provided, payments pursuant to section 8 of this Act, the Act approved April 10, 1935 (49 Stat. 149), and the joint resolution approved August 25, 1937 (50 Stat. 783), and applications for such payments, shall be made in accordance with such regulations as the Secretary of the Treasury may prescribe.

(b) Such payments shall be made only to the person or persons on behalf of whom the award or appraisal is made, except that—

(1) if such person is deceased or is under a legal disability, payment shall be made to his legal representative: *Provided*, That if the amount to be disbursed at any one time is not over $500 and there is no qualified executor or administrator, payment may be made to the person or persons found by the Secretary of the Treasury to be entitled thereto, without the necessity of compliance with the requirements of law with respect to the administration of estates;

(2) if an award or appraisal is made to the estate of a deceased person, and if there has been no administration of such person's estate, or if the administration of such person's estate has been terminated, payment may be made to the person or persons found by the Secretary of the Treasury to be entitled thereto;

(3) in the case of a partnership or corporation, the existence of which has been terminated and on behalf of which an award or appraisal is made, payment shall be made, except as provided in paragraphs (4) and (5), to the person or persons found by the Secretary of the Treasury to be entitled thereto;

(4) if a receiver or trustee for any such partnership or corporation has been duly appointed by a court of competent jurisdiction in the United States and has not been discharged prior to the date of payment, payment shall be made to such receiver or trustee or in accordance with the order of the court;

(5) if a receiver or trustee for any such partnership or corporation, duly appointed by a court of competent jurisdiction in the United States, makes an assignment of the claim, or any part thereof, with respect to which an award or appraisal is made, or makes an assignment of such award or appraisal, or any part thereof, payment shall be made to the assignee, as his interest may appear; and

(6) in the case of an assignment of an award or an appraisal, or any part thereof, which is made in writing and duly acknowledged and filed, after such award or appraisal is certified to the Secretary of the Treasury, payment may, in the discretion of the Secretary of the Treasury, be made to the assignee, as his interest may appear.

(c) Whenever the Secretary of the Treasury shall find that any person is entitled to any such payment, such finding shall be an absolute bar to recovery by any other person against the United States, its officers, agents, or employees with respect to such payment.

(d) Any person who makes application for any such payment shall be held to have consented to all the provisions of this Act.

(e) The decisions of the Secretary of the Treasury in making such payments shall be final and conclusive and shall not be subject to review by any other officer of the Government.

(f) Nothing in this Act shall be construed as the assumption of any liability by the United States for the payment or satisfaction, in whole or in part, of any claim on behalf of any American national against the Government of Mexico.

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SEC. 10. (a) There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, such sums as may be necessary to enable the Commission to carry out its functions under this Act.

(b) There shall be deducted from the amount of each payment made from the fund pursuant to subsections (c) and (d) of section 8, as reimbursement for the expenses incurred by the United States, an amount equal to 5 per centum of such payment. All amounts so deducted shall be covered into the Treasury to the credit of miscellaneous receipts.

SEC. 11. (a) The Secretary of the Treasury shall continue to distribute to the beneficiaries of the final awards rendered by the Special Mexican Claims Commission all moneys heretofore or hereafter received from the Government of Mexico pursuant to the Convention signed April 24, 1934, including interest on deferred payments.

(b) So much of the Act approved April 10, 1935, and of the joint resolution approved August 25, 1937, as may be inconsistent with this Act, is hereby repealed.

SEC. 12. Nothing in this Act is intended, or shall be deemed or construed, to apply to any claim or part of claim based upon or arising out of any international arbitral award rendered prior to the effective date of the convention between the United States and Mexico signed September 8, 1923.

SEC. 13. As used in this Act—

(a) The term "person" includes an individual, partnership, or corporation.

(b) The term "United States", when used in a geographical sense, includes the United States, its Territories and insular possessions (including the Philippine Islands), and the Canal Zone.

(c) The term "American national" includes (1) any person who is a citizen of the United States, and (2) any person who, though not a citizen of the United States, owes permanent allegiance to the United States.

SEC. 14. The following provisions of law are hereby repealed—

(a) So much of the Department of State Appropriation Act, 1936 (49 Stat. 76), of the Department of State Appropriation Act, 1937 (49 Stat. 1320), and of the Department of State Appropriation Act, 1938 (50 Stat. 271), as reads as follows: "*Provided further*, That from any sums received from the Mexican Government in settlement of a general claim of an American citizen against it, there shall be deducted and deposited in the Treasury of the United States as miscellaneous receipts, 5 per centum thereof in reimbursement of the Government of the United States of expenses incurred by it in respect of such claim."

(b) That portion of the joint resolution approved April 10, 1939 (53 Stat. 573), reading as follows: "*Provided*, That any expenditures from the amount herein authorized to be appropriated shall become a first charge upon any moneys received from the Government of Mexico in settlement of the respective claims, and the amount of such expenditures shall be deducted from the first payment by the Mexican Government and deposited in the Treasury of the United States as miscellaneous receipts."

Approved, December 18, 1942.

Exhibit 91

Regulations governing payments on account of awards and appraisals in favor of nationals of the United States on claims against the Government of Mexico pursuant to the act of April 10, 1935, the joint resolution of August 25, 1937, and the settlement of Mexican Claims Act of 1942 (Public Law 814, December 18, 1942)

[Department Circular No. 706. Accounts]

TREASURY DEPARTMENT,

Washington, January 26, 1943.

SECTION I. GENERAL PROVISIONS

(a) *Revocation of prior regulations.*—The regulations herein promulgated revoke and supersede the regulations issued by the Secretary of the Treasury on July 14, 1938, entitled "REGULATIONS GOVERNING PAYMENTS ON ACCOUNT OF AWARDS OF THE SPECIAL MEXICAN CLAIMS COMMISSION," Department Circular No. 589, Accounts and Deposits.

(b) *Authority for and scope of regulations.*—The following regulations governing payments in respect of the awards and the appraisals in favor of American Na-

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tionals on claims against the Government of Mexico are issued under authority contained in section 161 of the Revised Statutes (U. S. C. title 5, sec. 22), the Act of April 10, 1935 (49 Stat. 149), the Joint Resolution of August 25, 1937 (50 Stat. 783), and the Settlement of Mexican Claims Act of 1942 (Public Law 814, 77th Cong., 2d Sess., approved December 18, 1942).

(c) *Forms to be used.*—Forms of vouchers, affidavits and certificates prescribed by the Secretary of the Treasury should be used in connection with payments of awards and appraisals hereunder. Copies of such forms may be obtained from the Commissioner of Accounts, Room 376, Treasury Department, Washington, D. C.

(d) *Authentication of documents.*—All copies of records and documents submitted in connection with the execution of vouchers must be properly authenticated.

SECTION 2. EXECUTION OF VOUCHERS

(a) *Necessity for signature of vouchers.*—No payment of any part of the amount due in respect of an award or appraisal will be made unless a voucher therefor properly executed (preferably in ink or indelible pencil) is received by the Secretary of the Treasury. A single voucher for each part of an award or appraisal as funds become available for payment, must be signed by each person in whose favor the award or appraisal was made. Each such person must sign the voucher and verify it by an affidavit sworn to before an officer authorized by law to administer oaths. If executed abroad, the affidavit must be sworn to before a diplomatic or consular officer of the United States, or, if such officer is not available, before any officer authorized by the laws of the foreign country to administer oaths, but his official character and jurisdiction must be certified by a United States diplomatic or consular officer under seal of his office. In the case of a corporation, the voucher must be signed by the appropriate officer or officers thereof having authority to do so, which officer or officers shall verify the voucher by affidavit sworn to as above prescribed, and the voucher must also be accompanied by a duly executed certificate, under the seal of the corporation, certifying to the authority of such officer or officers to execute such voucher and affidavit on behalf of the corporation.

(b) *Method of signature.*—The voucher must be signed by each person exactly as his name appears as "payee" therein. If any difference occurs between the name of the "payee" in the voucher and the signature to the voucher, appropriate evidence explaining the discrepancy must be furnished. Affidavits of two other persons in position to know the facts, stating of their own knowledge that the person signing the voucher is the person designated therein as "payee", and indicating the reasons for the discrepancy, will ordinarily be sufficient.

A signature by mark (X) must be witnessed by two persons in addition to the officer before whom the affidavit is executed and the signature and address of each such witness should appear on the voucher and the affidavit.

SECTION 3. PAYMENTS

(a) *To whom made.*—Payments shall be made only to the person or persons on behalf of whom the award or appraisal is made except in the following circumstances:

(1) If such person is deceased and if the amount to be disbursed at any one time is in excess of $500.00, or, if such person is under a legal disability, payment shall be made to his legal representative. The voucher shall be executed by such legal representative and he shall verify the voucher by an appropriate affidavit. In addition, such legal representative shall submit with the voucher a copy of the order or letters of his appointment and a certificate of the clerk of the appointing court, dated not more than six months prior to the date of execution of the voucher, to the effect that such legal representative has not been discharged.

(2) If such person is deceased, the amount to be disbursed at any one time is not over $500.00 and there is no qualified executor or administrator, or, if an award or appraisal has been made to the estate of a deceased person and there has been no administration of such person's estate, payment may be made to the person or persons found by the Secretary of the Treasury to be entitled thereto. Evidence should be submitted to establish that administration of the estate of the decedent is not required under the laws of the decedent's domicile, that the debts of the decedent and of his estate have been paid or provided for, and that the person or persons who signed the voucher are entitled to receive payment on the award or appraisal. Such evidence will, in general, include affidavits of the person or persons claiming to be entitled to the award or appraisal setting forth the facts in detail, supported by affidavits of at least two other persons having

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personal knowledge of such facts, and by the official certificate or other proof of the death of the decedent. Wherever possible such supporting affidavits should be executed by public officers of the United States, or executive officers of incorporated banks or trust companies, and where this is not possible the affidavits of the person or persons claiming to be entitled to payment should so state. Upon request there must also be submitted an affidavit or certificate from a practicing attorney or judicial officer of the state of the decedent's domicile, showing that administration of the estate of the decedent is not required under the laws of the decedent's domicile and that the person or persons signing the voucher are entitled to receive payment on the award or appraisal, and referring specifically to any pertinent statutes and judicial decisions of the courts of such state.

(3) If an award or appraisal has been made to the estate of a deceased person and the administration of such person's estate has been terminated, payment may be made to such person or persons found by the Secretary of the Treasury to be legally entitled thereto. In such case, there should be submitted with the voucher a copy of the order of distribution or any other pertinent orders in administration proceedings sufficient to prove the authority and interest of the person or persons executing the voucher, together with an appropriate affidavit verifying that the person executing the affidavit is the person who signed the voucher and is entitled under such order to receive the payment described in the voucher.

(4) In the case of a partnership or corporation, the existence of which has been terminated, payment shall be made (except as provided in subsections (a) (5) and (a) (6) of this Section) to the person or persons found by the Secretary of the Treasury to be entitled thereto. In such case, the voucher should be accompanied by complete evidence of the authority and interests of the person or persons signing it.

(5) If a receiver or trustee for the partnership or corporation on behalf of which the award or appraisal was made has been duly appointed by a court of competent jurisdiction in the United States and has not been discharged prior to the date of payment, payment shall be made to the receiver or trustee or in accordance with the order of the court. In such case, the voucher should be accompanied by a certified copy of the order of the court appointing such receiver or trustee and a certificate of the clerk of such court, dated not more than six months prior to the date of execution of the voucher, to the effect that such receiver or trustee has not been discharged.

(6) In the case of an assignment of an award or appraisal, or any part thereof, or an assignment (prior to the making of the award or the appraisal) of the claim, or any part thereof, in respect of which the award or appraisal was made, by a receiver or trustee for any such partnership or corporation, duly appointed by a court of competent jurisdiction in the United States, such payment shall be made to the assignee, as his interest may appear. In such case, the voucher should be accompanied by certified copies of the court's orders appointing the receiver or trustee and authorizing or confirming the assignment and by the original instrument of assignment.

(7) In the case of an assignment of an award or appraisal, or any part thereof, after its certification to the Secretary of the Treasury, made in writing and duly acknowledged and filed, payment may, in the discretion of the Secretary of the Treasury, be made to the assignee, as his interests may appear.

(b) *Forwarding of vouchers.*—The voucher and all related papers should be transmitted to the Commissioner of Accounts, Room 376, Treasury Department, Washington, D. C.

(c) *Manner of payment.*—Payment will be made by check drawn on the Treasurer of the United States. Checks will be mailed to the payee at the address indicated in the voucher unless subsequent to the execution of the voucher the Treasury Department receives a written request from the person entitled to receive payment to deliver the check to him at some other address. Where the award has been entered in favor of more than one person, only one check will be drawn in making payment, except that if the persons entitled to receive payment specify the share of each, and so request, separate checks will be drawn in accordance therewith.

SECTION 4. POWERS OF ATTORNEY

Powers of attorney.—No power of attorney to sign a voucher will be recognized, but a power of attorney, executed subsequent to the certification of an award or appraisal to the Secretary of the Treasury, to receive, endorse, and collect a check given in payment on an award or appraisal may be recognized. An appropriate form for such a power of attorney may be obtained from the Office of the Treasurer of the United States.

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SECTION 5. ADDITIONAL EVIDENCE AND BONDS OF INDEMNITY

The Secretary of the Treasury may in any case require such additional information and evidence as may be deemed necessary and may also require a bond of indemnity with satisfactory sureties.

SECTION 6. RESERVATION OF POWER TO REVOKE OR AMEND

These regulations may be revoked or amended at any time.

D. W. BELL,
Acting Secretary of the Treasury.

Exhibit 92

Letter of the Postmaster General to the Secretary of the Treasury, dated November 30, 1943, certifying extraordinary expenditures contributing to the deficiencies of postal revenues for the fiscal year 1943, in pursuance of Public No. 316, approved June 9, 1930 (46 Stat. 523)

WASHINGTON, D. C., *November 30, 1943.*

THE HONORABLE the SECRETARY OF THE TREASURY.

MY DEAR MR. SECRETARY: In accordance with the provisions of the act of June 9, 1930 (39 U. S. C. 793), embodied in section 260, Postal Laws and Regulations, the amounts as determined under our present system of estimating are set forth below with respect to certain mailings during the fiscal year ended June 30, 1943, and are certified to you in order that they may be separately classified on the books of the Treasury Department in stating the expenditures made from the appropriation to supply the deficiency of postal revenue:

(a) The estimated amount which would have been collected at regular rates of postage on matter mailed during the year by officers of the Government (other than those of the Post Office Department) under the penalty privilege, including registry fees		
Postage	$103,485,392	
Registry fees, including surcharges	16,694,664	
		$120,180,056
(b) The estimated amount which would have been collected at regular rates of postage on matter mailed during the year by—		
1. Members of Congress under the franking privilege	$1,147,679	
2. By others under the franking privilege	9,443	
		1,157,122
(c) The estimated amount which would have been collected during the year at regular rates of postage on publications going free in the county		588,310
(d) The estimated amount which would have been collected at regular rates of postage on matter mailed free to the blind during the year		74,285
(e) The estimated difference between the postage revenue collected during the year on mailings of newspapers and periodicals published by and in the interests of religious, educational, scientific, philanthropic, agricultural, labor, and fraternal organizations, and that which would have been collected at zone rates of postage		344,143
(f) The estimated excess during the year of the cost of aircraft service over the postage revenues derived from air mail		
Total		122,343,916

Very truly yours,

FRANK C. WALKER,
Postmaster General.

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TABLES

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EXPLANATION OF BASES USED IN TABLES

Figures in the following tables are shown on various bases, namely: (1) daily Treasury statements, (2) public debt accounts, (3) warrants issued, (4) checks issued, and (5) collections reported by collecting officers.

Daily Treasury statements.—The figures shown in the Daily Statement of the United States Treasury are compiled from the latest daily reports received by the Treasurer of the United States from Government depositaries and Treasury offices holding Government funds. The daily Treasury statement, therefore, is a current report compiled from latest available information, and, by reason of the promptness with which the information is obtained and made public, it has come into general use as reflecting the financial operations of the Government covering a given period and the condition of the Treasury as it is ascertainable from day to day. This is known as "current cash basis" according to daily Treasury statements. The current assets and liabilities of the Treasurer's accounts are also available on this basis. The figures as shown in current daily Treasury statements are the basis for the Budget estimates of receipts and expenditures, public debt, and condition of the Treasury submitted to Congress by the President. The explanation "on basis of daily Treasury statements" used in tables of this report has identically the same meaning as the explanation "on basis of daily Treasury statements (unrevised)" which was used in previous annual reports.

Public debt accounts.—On account of the distance of some of the Treasury offices and depositaries from the Treasury, it is obvious that the reports from all offices covering a particular day's transactions cannot be received and assembled in the Treasury at one time without delaying for several days the publication of the daily Treasury statement. It is not practicable to delay the publication of the daily Treasury statement in order to include the latest reports. It is necessary, therefore, in order to exhibit the actual public debt receipts and expenditures for any given fiscal year, to take into consideration those reports covering the transactions toward the end of the fiscal year concerned which have not been received in the Treasury until the succeeding fiscal year, and to eliminate receipts and expenditures relating to the preceding fiscal year. After taking into consideration these reports the revised figures indicate the status of the public debt on the basis of actual transactions during the period under review as reflected by the public debt accounts. This is known as "the basis of public debt accounts," and formerly was referred to in Annual Reports of the Secretary of the Treasury as "the basis of daily Treasury statements (revised)."

Warrants issued (receipts).—Section 305 of the Revised Statutes provides that receipts for all moneys received by the Treasurer of the United States shall be endorsed upon warrants signed by the Secretary of the Treasury, without which warrants, so signed, no acknowledgment for money received into the Public Treasury shall be valid. The issuance of warrants by the Secretary of the Treasury, as provided by law, represents the formal covering of receipts into the Treasury.

Certificates of deposit covering actual deposits in Treasury offices and depositaries, upon which covering warrants are based, cannot reach the Treasury simultaneously, and for that reason all receipts for a fiscal year cannot be covered into the Treasury by warrants of the Secretary immediately upon the close of that fiscal year. It is necessary to have all certificates of deposit before a statement can be issued showing the total receipts for a particular fiscal year on a warrant basis. The figures thus compiled will agree with the figures compiled on the basis of daily Treasury statements (revised). Table 2 (p. 466), for years prior to 1916, shows receipts on this basis.

Warrants issued (expenditures).—The Constitution of the United States provides that no money shall be drawn from the Treasury but in consequence of appropriations made by law. Section 305 of the Revised Statutes requires that the Treasurer of the United States shall disburse the moneys of the United States upon warrants drawn by the Secretary of the Treasury. As the warrants are issued by the Secretary they are charged against the appropriate appropriations provided by law. Some of these warrants do not represent actual payments to claimants, but are merely advances of funds to be placed to the credit

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of disbursing officers of the Government with the Treasurer of the United States for the payment of Government obligations. The disbursing officer then issues his check on the Treasurer in payment of such obligations. As far as the appropriation accounts are concerned, the warrants issued and charged thereto constitute expenditures, but it will be observed that such expenditures necessarily include unexpended balances to the credit of the disbursing officers.

Checks issued (expenditures).—This basis, more than any other, reflects the real expenditures of the Government. Expenditures for a given fiscal year on the basis of checks issued differ from the corresponding figures on the basis of warrants in that the former include expenditures made by disbursing officers from credits granted during the previous fiscal year, and exclude the amount of unexpended balances remaining to their credit at the end of the fiscal year. The basis of checks issued differs from the basis of the daily Treasury statement (revised) in that the former includes checks outstanding at the end of the fiscal year, and excludes unpaid checks outstanding at the beginning of the fiscal year. A detailed explanation of the basis of checks issued will be found on page 89 of the Secretary's report for 1927. Table 17 (p. 534) shows expenditures on this basis.

Collections reported by collecting officers (receipts).—Statements showing receipts on a collection basis are compiled from reports received by the various administrative offices from collecting officers in the field, such as collectors of internal revenue and collectors of customs. These reports cover the collections actually made by these officers during the period specified. The collections are then deposited in a designated Government depositary to the credit of the Treasurer of the United States, which depositary renders a report to the Treasurer. The reports of the collecting officers and the depositaries do not, of course, coincide, for the reason that the collecting officers make collections during the last few days of the fiscal year which are not deposited until after the close of the fiscal year. On this account the two reports do not agree. The receipts are reported on a collection basis merely for statistical purposes and to furnish information as to detailed sources of revenue. Classification of such items on the basis of deposits has been found to be impracticable and uneconomical. Table 7 (p. 503) shows receipts on a collection basis.

DESCRIPTION OF ACCOUNTS THROUGH WHICH TREASURY OPERATIONS ARE EFFECTED

All receipts of the Government are covered into the General Fund of the Treasury from which all expenditures are made. Receipts and expenditures, however, are classified in the Treasury's records according to the class of accounts through which operations are effected. Transactions are segregated in order to exhibit separately those effected through general and special accounts, as contrasted with those effected through trust accounts. This classification was first shown for the warrants and checks-issued bases and on the daily Treasury statements beginning with the July 1, 1933, issue, in order to conform to the practice of the Bureau of the Budget. In some tables in this report, however, transactions in the three types of accounts are combined for purposes of historical comparison. A brief general explanation of the three classes of accounts is presented below.

General accounts.—The principal sources of general account receipts are income taxes, miscellaneous internal revenue, social security taxes, taxes upon carriers and their employees, and customs duties. In addition, a large number of miscellaneous receipts come under this head, including such items as proceeds of Government-owned securities (except those which are applicable to public debt retirement), sale of surplus and condemned property, Panama Canal tolls, fees (including consular and passport fees), fines, penalties, forfeitures, rentals, royalties, reimbursements, immigration head tax, sale of public land, seigniorage on coinage of subsidiary silver and minor coins, etc. Moneys represented in the general accounts may be withdrawn from the Treasury only in pursuance of appropriations made by Congress. There are four classes of appropriations payable through the general accounts of the Treasury, namely: (*a*) Annual, being those made each year in the several departmental supply bills and limited for obligation during the fiscal year for which made; (*b*) continuing (no year) being available until expended or until the object for which appropriated has been accomplished, such as construction of public works; (*c*) permanent-specific, being fixed amounts provided for each of a series of years by permanent legislation, without annual action of Congress; and (*d*) permanent-indefinite, being indefinite amounts (so much as may be necessary) provided by permanent legislation without annual action of Congress, such as the indefinite appropriation to cover interest on the public debt.

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A statement of general account receipts and expenditures is, therefore, in the nature of a general operating statement, and gives a picture of the relationship between the general revenues of the Government and the operating expenditures (including capital outlays and fixed charges) chargeable against them.

Special accounts.—Special account receipts may be generally defined as funds received under special authorizations of law which may be expended only for the particular purposes specified therein. Special account receipts may not be used for the general expenditures of the Government. The most important items of receipts included under this heading, from the standpoint of amounts, are those applicable to the retirement of the public debt. Other important special account receipts are the reclamation fund and receipts under the Mineral Leasing Act under the Department of the Interior, and the national forest funds under the Department of Agriculture. There are many other special account receipts of lesser importance.

Trust accounts.—Trust account receipts represent moneys received by the Government for the benefit of individuals or classes of individuals and are used for purposes specified in the trust. Moneys held in trust, being payable to or for the use of beneficiaries only, are not available for general expenditures of the Government. There are several classes of trust account receipts, the beneficiaries under which may be either individuals or groups of individuals. The accounts may represent (*a*) moneys received directly from or for account of individuals, as in the case of moneys received from foreign governments or other sources in trust for citizens of the United States or others under the act of February 27, 1896; (*b*) moneys collected as revenues and held in trust, such as the proceeds of sales of Indian lands which are held as interest-bearing funds for the benefit of Indian tribes; (*c*) proceeds of grants from the general accounts of the Treasury in pursuance of treaty or other obligations such as the perpetual trust fund created for the Ute Indians under section 5 of the act of June 15, 1880; (*d*) deposits, donations, or contributions for specified purposes, such as funds received for the purchase of lands in the national parks; and (*e*) deposits to be held until appropriate disposition thereof can be made, such as proceeds from the redemption of bonds found and whose owners are unknown.

Checking accounts of Government corporations.—The manner in which certain checking accounts of Government corporations are handled in the daily statement of the Treasury was explained in the announcement appearing on page 347 of the annual report for 1938.

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RECEIPTS AND EXPENDITURES

Summary tables on receipts and expenditures

TABLE 1.—*Summary of receipts and expenditures, fiscal years 1932 through 1943 and monthly July 1942 through June 1943*

[On basis of daily Treasury statements, see p. 459]

PART A. GENERAL AND SPECIAL ACCOUNTS

Period	Receipts					
	Internal revenue	Customs	Other	Total receipts	Deduct: Net transfers to Federal old-age and survivors insurance trust fund [1]	Net receipts
By fiscal years:						
1932	$1,561,006,334.38	$327,754,969.12	$116,964,133.64	$2,005,725,437.14		$2,005,725,437.14
1933	1,604,423,956.56	250,750,251.27	224,522,533.93	2,079,696,741.76		2,079,696,741.76
1934	2,640,603,828.30	313,434,302.19	161,515,919.04	3,115,554,049.53		3,115,554,049.53
1935	3,277,690,027.82	343,353,033.56	179,424,140.58	3,800,467,201.96		3,800,467,201.96
1936	3,512,851,608.15	386,811,593.69	216,293,413.29	4,115,956,615.13		4,115,956,615.13
1937	4,597,140,102.49	486,356,598.90	210,343,535.48	5,293,840,236.87	$265,000,000.00	5,028,840,236.87
1938	5,674,318,436.66	359,187,249.57	208,155,540.76	6,241,661,226.99	387,000,000.00	5,854,661,226.99
1939	5,161,220,846.63	318,837,311.27	187,765,467.69	5,667,823,625.59	503,000,000.00	5,164,823,625.59
1940	5,303,133,988.29	348,590,635.21	273,111,779.26	5,924,836,402.76	537,711,733.00	5,387,124,669.76
1941	7,361,674,982.23	391,870,013.27	514,967,590.00	8,268,512,585.50	661,300,733.42	7,607,211,852.08
1942	12,993,117,887.52	388,948,426.88	285,848,509.44	13,667,914,823.84	868,853,202.82	12,799,061,621.02
1943	22,143,968,999.28	324,290,778.06	[2] 916,385,725.20	23,384,645,502.54	1,103,002,793.30	22,281,642,709.24
By months:						
1942—July	742,077,193.65	24,283,409.44	27,757,318.21	794,117,921.30	47,109,244.50	747,008,676.80
August	748,463,768.94	22,173,074.72	25,902,409.98	796,539,253.64	209,423,550.07	587,115,703.57
September	2,476,068,378.65	20,369,062.19	31,358,463.86	2,527,795,904.70	1,173,618.96	2,526,622,285.74
October	603,090,230.80	24,446,089.83	20,477,294.74	648,013,615.37	41,422,760.56	606,590,854.81
November	784,330,425.44	23,016,807.59	22,472,911.15	829,820,144.18	228,548,319.11	601,271,825.07
December	2,649,477,976.08	24,473,354.05	27,843,332.01	2,701,794,662.14	990,331.47	2,700,804,330.67
1943—January	723,609,325.52	24,781,716.94	75,353,374.41	823,744,416.87	35,307,968.73	788,436,448.14
February	1,074,752,033.40	26,046,467.36	89,093,841.06	1,189,892,341.82	234,933,969.56	954,958,372.26
March	5,154,013,131.91	32,347,863.36	21,002,083.62	5,207,363,078.89	1,048,845.74	5,206,314,233.15
April	1,396,255,681.21	31,800,865.84	126,820,920.81	1,554,877,467.86	40,840,125.57	1,514,037,342.29
May	1,581,074,725.22	36,683,113.20	123,842,509.67	1,741,600,348.09	262,001,931.82	1,479,598,416.27
June	4,210,756,128.46	33,868,953.54	324,461,265.68	4,569,086,347.68	202,127.21	4,568,884,220.47

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Period	Expenditures							Excess of expenditures including debt retirements	Excess of expenditures excluding debt retirements
	General	War activities [3]	Revolving funds (net)	Transfers to trust accounts, etc.	Total expenditures, excluding debt retirements	Statutory debt retirements (sinking fund, etc.)	Total expenditures, including debt retirements		
By fiscal years:									
1932	$3,499,048,548.89	$753,166,387.24	$61,867,202.03	$221,065,000.00	$4,535,147,138.16	$412,629,750.00	$4,947,776,888.16	$2,942,051,451.02	$2,529,421,701.02
1933	2,988,779,846.72	679,694,732.58	73,804,343.13	121,266,000.00	3,863,544,922.43	461,604,800.00	4,325,149,722.43	2,245,452,980.67	1,783,848,180.67
1934	4,913,527,176.54	530,744,983.70	495,668,393.88	71,142,700.00	6,011,083,254.12	359,864,092.90	6,370,947,347.02	3,255,393,297.49	2,895,529,204.59
1935	5,905,015,737.68	688,521,488.67	345,328,985.37	71,009,100.00	7,009,875,311.72	573,558,250.00	7,583,433,561.72	3,782,966,359.76	3,209,408,109.76
1936	5,940,969,107.77	899,510,200.00	11,011,182.19	1,814,154,931.72	8,665,645,421.68	403,240,150.00	9,068,885,571.68	4,952,928,956.55	4,549,688,806.55
1937	6,441,508,362.08	928,963,909.90	203,535,759.04	603,400,724.68	8,177,408,755.70	103,971,200.00	8,281,379,955.70	3,252,539,718.83	3,148,568,518.83
1938	5,869,408,525.28	1,028,803,375.04	120,952,670.86	219,657,587.18	7,238,822,158.36	65,464,950.00	7,304,287,108.36	1,449,625,881.37	1,384,160,931.37
1939	7,226,352,198.48	1,206,081,773.86	92,453,595.38	182,204,012.82	8,707,091,580.54	58,246,450.00	8,765,338,030.54	3,600,514,404.95	3,542,267,954.95
1940	7,061,083,960.03	1,657,432,455.90	53,918,945.04	225,754,345.50	8,998,189,706.47	129,184,100.00	9,127,373,806.47	3,740,249,136.71	3,611,065,036.71
1941	6,214,698,804.75	6,301,043,165.91	*136,286,103.94*	331,173,957.25	12,710,629,823.97	64,260,500.00	12,774,890,323.97	5,167,678,471.89	5,103,417,971.89
1942	5,986,225,630.43	26,011,065,089.39	18,394,391.22	380,899,986.65	32,396,585,097.69	94,722,300.00	32,491,307,397.69	19,692,245,776.67	19,597,523,476.67
1943	5,595,219,090.49	72,108,862,204.06	39,738,924.15	435,065,022.17	78,178,885,240.87	3,463,400.00	78,182,348,640.87	55,900,705,931.63	55,897,242,531.63
By months:									
1942—July	413,061,479.12	4,497,857,549.41	187,254.59	249,325,324.31	5,160,431,607.43	1,832,050.00	5,162,263,657.43	4,415,254,980.63	4,413,422,930.63
August	312,316,350.83	4,884,044,443.78	200,827.64	18,671,740.92	5,215,233,363.17	184,450.00	5,215,417,813.17	4,628,302,109.60	4,628,117,659.60
September	543,706,759.51	5,384,427,689.54	*2,551,940.97*	5,458,755.68	5,931,041,263.76	180,800.00	5,931,222,063.76	3,404,599,778.02	3,404,418,978.02
October	400,451,289.35	5,481,098,198.48	*896,856.86*	56,170,801.96	5,937,323,432.93	171,400.00	5,937,494,832.93	5,330,903,978.12	5,330,732,578.12
November	320,355,453.18	6,041,549,211.93	*1,732,074.33*	2,535,593.22	6,362,708,184.00	82,100.00	6,362,790,284.00	5,761,518,458.93	5,761,436,358.93
December	654,261,760.22	5,824,937,352.34	*4,292,009.00*	24,901,981.00	6,499,809,084.56	775,550.00	6,500,584,634.56	3,799,780,303.89	3,799,004,753.89
1943—January	390,667,897.95	5,946,673,206.66	*155,526.52*	35,131,512.86	6,372,317,090.95	162,450.00	6,372,479,540.95	5,584,043,092.81	5,583,880,642.81
February	345,952,080.43	5,769,864,999.07	1,155,838.65	1,654,233.04	6,118,627,151.19	64,750.00	6,118,691,901.19	5,163,733,528.93	5,163,668,778.93
March	601,315,173.03	6,743,800,218.58	7,371,344.69	1,207,825.59	7,353,694,561.89	9,300.00	7,353,703,861.89	2,147,389,628.74	2,147,380,328.74
April	439,113,426.02	6,973,677,657.66	15,672,334.52	37,967,928.73	7,466,431,346.93	1,000.00	7,466,432,346.93	5,952,395,004.64	5,952,394,004.64
May	327,526,167.62	7,091,665,001.90	14,247,890.38	1,113,102.41	7,434,552,162.31	*450.00*	7,434,551,712.31	5,954,953,296.04	5,954,953,746.04
June	846,491,253.23	7,469,266,674.71	10,031,841.36	926,222.45	8,326,715,991.75	----------	8,326,715,991.75	3,757,831,771.28	3,757,831,771.28

* Excess of credits (deduct).

[1] Figures beginning with the fiscal year 1937 through Dec. 31, 1939, include amounts formerly classified as expenditures under transfers to trust accounts, etc., for the old-age reserve account which was thereafter designated as the "Federal old-age and survivors insurance trust fund." Figures for 1940 through 1943 are exclusive of reimbursements from the trust fund to the General Fund for administrative expenses as provided under sec. 201 (f) of the Social Security Act Amendments of 1939.

[2] Includes approximately $450,000,000 deposited by the War and Navy Departments and the United States Maritime Commission as a result of renegotiation of war contracts.

[3] Expenditures for war activities by Reconstruction Finance Corporation and subsidiaries are reflected in "Transactions in checking accounts of Government agencies, etc. (net)."

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TABLE 1.—*Summary of receipts and expenditures, fiscal years 1932 through 1943 and monthly July 1942 through June 1943*—Continued

PART B. TRUST ACCOUNTS, INCREMENT ON GOLD, ETC.

Period	Receipts						
	Federal old-age and survivors insurance trust fund [4]	Unemployment trust fund	Railroad retirement account	Other trust funds and accounts	Increment resulting from reduction in weight of gold dollar	Seigniorage	Total receipts
By fiscal years:							
1932				$381, 259, 630. 12			$381, 259, 630. 12
1933				280, 075, 438. 80			280, 075, 438. 80
1934				233, 472, 590. 63	$2, 811, 375, 756. 72		3, 044, 848, 347. 35
1935				300, 819, 334. 35	1, 738, 019. 63	$140, 111, 441. 47	442, 668, 795. 45
1936		$18, 949, 421. 44		2, 053, 132, 867. 22	784, 464. 60	175, 789, 415. 49	2, 248, 656, 168. 75
1937	$267, 261, 810. 97	294, 439, 871. 20		857, 521, 545. 82	1, 676, 187. 53	39, 786, 924. 30	1, 460, 686, 339. 82
1938	402, 412, 232. 89	762, 832, 518. 88	$147, 813, 409. 10	322, 527, 677. 06	1, 094, 842. 97	90, 351, 012. 40	1, 727, 031, 693. 30
1939	529, 951, 054. 81	838, 087, 109. 99	109, 299, 289. 54	349, 275, 703. 83	481, 398. 61	90, 267, 427. 02	1, 917, 361, 983. 80
1940	580, 200, 560. 85	958, 639, 162. 80	122, 932, 516. 39	408, 367, 711. 86	402, 359. 49	48, 879, 863. 70	2, 119, 422, 175. 09
1941	717, 259, 011. 54	1, 113, 922, 996. 42	126, 883, 857. 53	659, 189, 937. 33	398, 606. 27	20, 190, 852. 24	2, 637, 845, 261. 33
1942	939, 859, 765. 05	1, 243, 587, 217. 14	143, 903, 058. 91	849, 563, 668. 54	298, 559. 69	13, 581, 830. 38	3, 190, 884, 099. 71
1943	1, 190, 405, 815. 78	1, 398, 524, 159. 64	220, 577, 849. 34	1, 116, 503, 287. 51	241, 729. 94		3, 926, 252, 842. 21
By months:							
1942—July	47, 127, 326. 69	51, 967, 393. 43	112, 614, 972. 60	190, 536, 432. 15	15, 440. 49		402, 261, 565. 36
August	209, 502, 454. 18	223, 319, 531. 36	46, 109. 59	52, 475, 007. 45	17, 837. 57		485, 360, 940. 15
September	1, 308, 651. 84	28, 973, 099. 54	73, 232. 88	80, 349, 802. 21	19, 639. 19		110, 724, 425. 66
October	42, 076, 883. 89	49, 928, 384. 12	33, 592, 054. 79	95, 638, 626. 97	22, 670. 15		221, 258, 619. 92
November	228, 663, 387. 60	242, 535, 029. 38	129, 287. 67	64, 719, 002. 73	28, 593. 82		536, 075, 301. 20
December	1, 826, 278. 85	73, 095, 851. 68	157, 315. 07	98, 812, 267. 37	19, 768. 38		173, 911, 481. 35
1943—January	35, 472, 352. 29	39, 869, 691. 85	34, 184, 438. 36	74, 326, 090. 21	16, 652. 09		183, 869, 224. 80
February	235, 177, 586. 00	262, 350, 474. 05	193, 150. 68	52, 048, 528. 22	26, 316. 00		549, 796, 054. 95
March	1, 994, 437. 57	33, 889, 574. 65	237, 534. 25	82, 463, 179. 36	24, 236. 41		118, 608, 962. 24
April	41, 145, 714. 61	34, 924, 439. 66	34, 940, 821. 92	91, 925, 253. 02	12, 774. 42		202, 949, 003. 63
May	262, 001, 931. 82	277, 095, 539. 70	292, 027. 40	81, 374, 258. 84	22, 323. 03		620, 786, 080. 79
June	84, 108, 810. 44	80, 575, 150. 22	4, 116, 904. 13	151, 834, 838. 98	15, 478. 39		320, 651, 182. 16

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Period	Expenditures [5]							Excess of receipts or expenditures (—)
	Federal old-age and survivors insurance trust fund [4]	Unemployment trust fund	Railroad retirement account	Other trust funds and accounts	Charges against increment on gold	Transactions in checking accounts of Government agencies, etc. (net)	Total expenditures	
By fiscal years:								
1932				$386,437,680.15		$205,868,006.52	$592,305,686.67	—$211,046,056.55
1933				285,085,427.53		817,803,904.18	1,102,889,331.71	—822,813,892.91
1934				209,968,239.61	$2,000,000,000.00	734,102,737.93	2,944,070,977.54	100,777,369.81
1935				237,118,762.87	113,022,629.27	[a] *637,137,145.71*	[a] *286,995,753.57*	729,664,549.02
1936		$18,909,000.00		2,019,436,888.15	403,828,779.50	[a] *108,298,620.74*	2,333,876,046.91	—85,219,878.16
1937	$267,126,969.35	294,386,000.00		837,343,848.17	100,781,944.13	[a] *313,840,604.95*	1,185,798,156.70	274,888,183.12
1938	400,604,062.87	750,680,000.00	$146,049,056.18	327,047,497.83	51,638,418.49	[a] *203,986,966.47*	1,472,032,068.90	254,999,624.40
1939	528,791,583.23	836,795,000.00	106,774,077.31	323,540,918.03	5,499,693.74	[a] *768,325,461.87*	1,033,075,810.44	884,286,173.36
1940	576,705,088.55	957,316,273.97	125,299,073.50	357,655,186.89	4,574.58	[a] *33,142,041.36*	1,983,838,156.13	135,584,018.96
1941	706,841,884.66	1,118,127,110.94	115,773,514.47	627,638,833.70	1,821.67	217,525,701.26	2,785,908,866.70	—148,063,605.37
1942	931,314,952.20	1,243,142,328.20	143,743,910.67	753,461,725.74	1,878.73	3,624,724,254.35	6,696,389,049.89	—3,505,504,950.18
1943	1,184,503,977.71	1,404,167,159.73	216,964,800.65	787,913,897,49	1,512.56	[6] 2,193,685,465.83	5,787,236,813.97	—1,860,983,971.76
By months:								
1942—July	989,487.98	54,237,036.78	114,320,027.27	158,050,947.80		78,471,762.92	406,069,262.75	—3,807,697.39
August	16,184,551.19	220,141,991.88	[a] *278,786.63*	42,208,575.71		261,591,752.12	539,848,084.27	—54,487,144.12
September	230,058,332.87	29,725,934.63	[a] *232,163.94*	71,823,340.98		24,853,861.02	356,179,305.56	—245,454,879.90
October	[a] *75,913.68*	53,663,253.23	33,804,679.48	46,834,109.46	1,512.56	582,904,262.70	717,131,903.75	—495,873,283.83
November	1,881,778.83	202,705,076.00	[a] *297,146.22*	45,524,810.09		[a] *449,248,320.57*	[a] *199,428,301.87*	735,503,603.07
December	274,350,976.64	109,441,032.67	[a] *236,707.44*	36,579,741.47		548,112,942.97	968,247,986.31	—794,336,504.96
1943—January	2,385,511.65	41,560,043.24	33,815,544.22	55,012,647.40		186,020,740.91	318,794,487.42	—134,925,262.62
February	[a] *452,358.06*	264,415,728.55	836,628.93	37,002,685.14		369,963,082.19	671,765,766.75	—121,969,711.80
March	274,204,794.56	33,114,739.44	88,948.93	60,229,063.95		299,839,271.01	667,476,817.89	—548,867,855.65
April	546,951.79	31,918,065.07	35,073,296.48	70,409,648.83		17,139,779.36	155,087,741.53	47,861,262.10
May	13,721,257.18	274,829,831.83	44,709.28	15,199,971.40		355,796,025.90	659,591,795.59	—38,805,714.80
June	370,708,606.76	88,414,426.41	75,770.29	149,038,355.26		[a] *81,765,194.70*	526,471,964.02	—205,820,781.86

[a] Excess of credits (deduct).
[4] Effective Jan. 1, 1940, successor to the old-age reserve account.
[5] Includes transactions on account of investments in Government securities.
[6] Net war expenditures of the Reconstruction Finance Corporation and subsidiaries were first classified separately on daily Treasury statements in Oct. 1942. Includes $2,442,248,130.97 representing such expenditures for the period Oct. 17, 1942, to June 30, 1943.

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TABLE 2.—*Receipts and expenditures*

On basis of warrants issued from 1789 to 1915, and on basis of daily Treasury statements for 1916 and sub 1930. Trust accounts excluded for 1931 and subse

Year	Receipts					Ex
	Customs (including tonnage tax)	Internal revenue		Other receipts [2]	Total receipts [3]	War Department (including rivers and harbors, and Panama Canal) [4]
		Income and profits taxes	Other			
1789–91	$4,399,473			$19,440	$4,418,913	$632,804
1792	3,443,071		$208,943	17,946	3,669,960	1,100,702
1793	4,255,307		337,706	59,910	4,652,923	1,130,249
1794	4,801,065		274,090	356,750	5,431,905	2,639,098
1795	5,588,461		337,755	188,318	6,114,534	2,480,910
1796	6,567,988		475,290	1,334,252	8,377,530	1,260,264
1797	7,549,650		575,491	563,640	8,688,781	1,039,403
1798	7,106,062		644,358	150,076	7,900,496	2,009,522
1799	6,610,449		779,136	157,228	7,546,813	2,466,947
1800	9,080,933		809,396	958,420	10,848,749	2,560,879
1801	10,750,779		1,048,033	1,136,519	12,935,331	1,672,944
1802	12,438,236		621,899	1,935,659	14,995,794	1,179,148
1803	10,479,418		215,180	369,500	11,064,098	822,056
1804	11,098,565		50,941	676,801	11,826,307	875,424
1805	12,936,487		21,747	602,459	13,560,693	712,781
1806	14,667,698		20,101	872,132	15,559,931	1,224,355
1807	15,845,522		13,051	539,446	16,398,019	1,288,686
1808	16,363,551		8,211	688,900	17,060,662	2,900,834
1809	7,296,021		4,044	473,408	7,773,473	3,345,772
1810	8,583,309		7,431	793,475	9,384,215	2,294,324
1811	13,313,223		2,296	1,108,010	14,423,529	2,032,828
1812	8,958,778		4,903	837,452	9,801,133	11,817,798
1813	13,224,623		4,755	1,111,032	14,340,410	19,652,013
1814	5,998,772		1,662,985	3,519,868	11,181,625	20,350,807
1815	7,282,942		4,678,059	3,768,023	15,729,024	14,794,294
1816	36,306,875		5,124,708	6,246,088	47,677,671	16,012,097
1817	26,283,348		2,678,101	4,137,601	33,099,050	8,004,237
1818	17,176,385		955,270	3,453,516	21,585,171	5,622,715
1819	20,283,609		229,594	4,090,172	24,603,375	6,506,300
1820	15,005,612		106,261	2,768,797	17,880,670	2,630,392
1821	13,004,447		69,028	1,499,905	14,573,380	4,461,292
1822	17,589,762		67,666	2,575,000	20,232,428	3,111,981
1823	19,088,433		34,242	1,417,991	20,540,666	3,096,924
1824	17,878,326		34,663	1,468,224	19,381,213	3,340,940
1825	20,098,713		25,771	1,716,374	21,840,858	3,659,914
1826	23,341,332		21,590	1,897,512	25,260,434	3,943,194
1827	19,712,283		19,886	3,234,195	22,966,364	3,938,978
1828	23,205,524		17,452	1,540,654	24,763,630	4,145,545
1829	22,681,966		14,503	2,131,158	24,827,627	4,724,291
1830	21,922,391		12,161	2,909,564	24,844,116	4,767,129
1831	24,224,442		6,934	4,295,445	28,526,821	4,841,836
1832	28,465,237		11,631	3,388,693	31,865,561	5,446,035
1833	29,032,509		2,759	4,913,159	33,948,427	6,704,019
1834	16,214,957		4,196	5,572,783	21,791,936	5,696,189
1835	19,391,311		10,459	16,028,317	35,430,087	5,759,157
1836	23,409,941		370	27,416,485	50,826,796	12,169,227
1837	11,169,290		5,494	13,779,369	24,954,153	13,682,734
1838	16,158,800		2,467	10,141,295	26,302,562	12,897,224
1839	23,137,925		2,553	8,342,271	31,482,749	8,916,996
1840	13,499,502		1,682	5,978,931	19,480,115	7,097,070
1841	14,487,217		3,261	2,369,682	16,860,160	8,805,565
1842	18,187,909		495	1,787,794	19,976,198	6,611,887
1843 [1]	7,046,844		103	1,255,755	8,302,702	2,957,300
1844	26,183,571		1,777	3,136,026	29,321,374	5,179,220
1845	27,528,113		3,517	2,438,476	29,970,106	5,752,644
1846	26,712,668		2,897	2,984,402	29,699,967	10,792,867
1847	23,747,865		375	2,747,529	26,495,769	38,305,520
1848	31,757,071		375	3,978,333	35,735,779	25,501,963
1849	28,346,739			2,861,404	31,208,143	14,852,966
1850	39,668,686			3,934,753	43,603,439	9,400,239
1851	49,017,568			3,541,736	52,559,304	11,811,793
1852	47,339,327			2,507,489	49,846,816	8,225,247
1853	58,931,866			2,655,188	61,587,054	9,947,291
1854	64,224,190			9,576,151	73,800,341	11,733,629
1855	53,025,794			12,324,781	65,350,575	14,773,826
1856	64,022,863			10,033,836	74,056,699	16,948,197

Footnotes at end of table.

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for the fiscal years 1789 through 1943 [1]

sequent years, see p. 459. General, special, emergency, and trust accounts combined from 1789 through quent years. For explanation of accounts, see p. 460]

penditures, excluding debt retirements					Surplus or deficit (—)	
Navy Department [4]	Interest on the public debt	All other [5]	Total expenditures, excluding debt retirements	Statutory debt retirements (sinking fund, etc.)	Gross (including debt retirements)	Net (excluding debt retirements)
$570	$2,349,437	$1,286,216	$4,269,027	.....	$149,886	$149,886
53	3,201,628	777,149	5,079,532	.....	−1,409,572	−1,409,572
.....	2,772,242	579,822	4,482,313	.....	170,610	170,610
61,409	3,490,293	800,039	6,990,839	.....	−1,558,934	−1,558,934
410,562	3,189,151	1,459,186	7,539,809	.....	−1,425,275	−1,425,275
274,784	3,195,055	996,883	5,726,986	.....	2,650,544	2,650,544
382,632	3,300,043	1,411,556	6,133,634	.....	2,555,147	2,555,147
1,381,348	3,053,281	1,232.353	7,676,504	.....	223,992	223,992
2,858,082	3,186,288	1,155,138	9,666,455	.....	−2,119,642	−2,119,642
3,448,716	3,374,705	1,401,775	10,786,075	.....	62,674	62,674
2,111,424	4,412,913	1,197,301	9,394,582	.....	3,540,749	3,540,749
915,562	4.125,039	1,642,369	7,862,118	.....	7,133,676	7,133,676
1,215,231	3,848,828	1,965,538	7,851,653	.....	3,212,445	3,212,445
1,189,833	4,266,583	2,387,602	8,719,442	.....	3,106,865	3,106,865
1,597,500	4,148,999	4,046,954	10,506,234	.....	3,054,459	3,054,459
1,649,641	3,723,408	3,206,213	9,803,617	.....	5,756,314	5,756,314
1,722,064	3,369,578	1,973,823	8,354,151	.....	8,043,868	8,043,868
1,884,068	3,428,153	1,719,437	9,932,492	.....	7,128,170	7,128,170
2,427,759	2,866,075	1,641,142	10,280,748	.....	−2,507,275	−2,507,275
1,654,244	2,845,428	1,362,514	8,156,510	.....	1,227,705	1,227,705
1,965,566	2,465,733	1,594,210	8,058,337	.....	6,365,192	6,365,192
3,959,365	2,451,273	2,052,335	20,280,771	.....	−10,479,638	−10,479,638
6,446,600	3,599,455	1,983,784	31,681,852	.....	−17,341,442	−17,341,442
7,311,291	4,593,239	2,465,589	34,720,926	.....	−23,539,301	−23,539,301
8,660,000	5,754,569	3,499,276	32,708,139	.....	−16,979,115	−16,979,115
3,908,278	7,213,259	3,453,057	30,586,691	.....	17,090,980	17,090,980
3,314,598	6,389,210	4,135,775	21,843,820	.....	11,255,230	11,255,230
2,953,695	6,016,447	5,232,264	19,825,121	.....	1,760,050	1,760,050
3,847,640	5,163,538	5,946,332	21,463,810	.....	3,139,565	3,139,565
4,387,990	5,126,097	6,116,148	18,260,627	.....	−379,957	−379,957
3,319,243	5,087,274	2,942,944	15,810,753	.....	−1,237,373	−1,237,373
2,224,459	5,172,578	4,491,202	15,000,220	.....	5,232,208	5,232,208
2,503,766	4,922,685	4,183,465	14,706,840	.....	5,833,826	5,833,826
2,904,582	4,996,562	9,084,624	20,326,708	.....	−945,495	−945,495
3,049,084	4,366,769	4,781,462	15,857,229	.....	5,983,629	5,983,629
4,218,902	3,973,481	4,900,220	17,035,797	.....	8,224,637	8,224,637
4,263,877	3,486,072	4,450,241	16,139,168	.....	6,827,196	6,827,196
3,918,786	3,098,801	5,231,711	16,394,843	.....	8,368,787	8,368,787
3,308,745	2,542,843	4,627,454	15,203,333	.....	9,624,294	9,624,294
3,239,429	1,913,533	5,222,975	15,143,066	.....	9,701,050	9,701,050
3,856,183	1,383,583	5,166,049	15,247,651	.....	13,279,170	13,279,170
3,956,370	772,562	7,113,983	17,288,950	.....	14,576,611	14,576,611
3,901,357	303,797	12,108,379	23,017,552	.....	10,930,875	10,930,875
3,956,260	202,153	8,772,967	18,627,569	.....	3,164,367	3,164,367
3,864,939	57,863	7,890,854	17,572,813	.....	17,857,274	17,857,274
5,807,718	.....	12,891,219	30,868,164	.....	19,958,632	19,958,632
6,646,915	.....	16,913,847	37,243,496	.....	−12,289,343	−12,289,343
6,131,596	14,997	14,821,242	33,865,059	.....	−7,562,497	−7,562,497
6,182,294	399,834	11,400,004	26,899,128	.....	4,583,621	4,583,621
6,113,897	174,598	10,932,014	24,317,579	.....	−4,837,464	−4,837,464
6,001,077	284,978	11,474,253	26,565,873	.....	−9,705,713	−9,705,713
8,397,243	773,550	9,423,081	25,205,761	.....	−5,229,563	−5,229,563
3,727,711	523,595	4,649,469	11,858,075	.....	−3,555,373	−3,555,373
6,498,199	1,833,867	8,826,285	22,337,571	.....	6,983,803	6,983,803
6,297,245	1,040,032	9,847,487	22,937,408	.....	7,032,698	7,032,698
6,454,947	842.723	9,676,388	27,766,925	.....	1,933,042	1,933,042
7,900,636	1,119,215	9,956,041	57,281,412	.....	−30,785,643	−30,785,643
9,408,476	2,390,825	8,075,962	45,377,226	.....	−9,641,447	−9,641,447
9,786,706	3,565,578	16,846,407	45,051,657	.....	−13,843,514	−13,843,514
7,904,709	3,782,331	18,456,213	39,543,492	.....	4,059,947	4,059,947
9,005,931	3,696,721	23,194,572	47,709,017	.....	4,850,287	4,850,287
8,952,801	4,000,298	23,016,573	44,194,919	.....	5,651,897	5,651,897
10,918,781	3,665,833	23,652,206	48,184,111	.....	13,402,943	13,402,943
10,798,586	3,071,017	32,441,630	58,044,862	.....	15,755,479	15,755,479
13,312,024	2,314,375	29,342,443	59,742,668	.....	5,607,907	5,607,907
14,091,781	1,953,822	36,577,226	69,571,026	.....	4,485,673	4,485,673

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TABLE 2.—*Receipts and expenditures*

Year	Receipts					Ex
	Customs (including tonnage tax)	Internal revenue		Other receipts [2]	Total receipts [3]	War Department (including rivers and harbors, and Panama Canal) [4]
		Income and profits taxes	Other			
1857	$63, 875, 905			$5, 089, 408	$68, 965, 313	$19, 261, 774
1858	41, 789, 621			4, 865, 745	46, 655, 366	25, 485, 383
1859	49, 565, 824			3, 920, 641	53, 486, 465	23, 243, 823
1860	53, 187, 512			2, 877, 096	56, 064, 608	16, 409, 767
1861	39, 582, 126			1, 927, 805	41, 509, 931	22, 981, 150
1862	49, 056, 398			2, 931, 058	51, 987, 456	394, 368, 407
1863	69, 059, 642	$2, 741, 858	$34, 898, 930	5, 996, 861	112, 697, 291	599, 298, 601
1864	102, 316, 153	20, 294, 732	89, 446, 402	52, 569, 484	264. 626. 771	690, 791. 843
1865	84, 928, 261	60, 979, 329	148, 484, 886	39, 322, 129	333, 714, 605	1, 031, 323, 361
1866	179, 046, 652	72, 982, 159	236. 244, 654	69, 759, 155	558, 032, 620	284, 449, 702
1867	176, 417, 811	66, 014, 429	200, 013, 108	48, 188, 662	490, 634, 010	95, 224, 415
1868	164, 464, 600	41, 455, 598	149, 631, 991	50, 085, 894	405, 638, 083	123, 246, 648
1869	180, 048, 427	34, 791, 856	123, 564, 605	32, 538, 859	370, 943, 747	78, 501, 991
1870	194, 538, 374	37. 775, 874	147, 123. 882	31, 817, 347	411, 255, 477	57, 655, 676
1871	206. 270, 408	19, 162, 651	123, 935, 503	33, 955, 383	383, 323, 945	35, 799, 992
1872	216, 370, 287	14, 436, 862	116, 205, 316	27, 094. 403	374, 106, 868	35, 372, 157
1873	188, 089, 523	5, 062, 312	108, 667, 002	31, 919, 368	333, 738, 205	46, 323, 138
1874	163, 103, 834	139, 472	102, 270, 313	39, 465, 137	304, 978, 756	42, 313, 927
1875	157, 167, 722	233	110, 007, 261	20, 824, 835	288, 000, 051	41, 120, 646
1876	148, 071, 985	588	116, 700, 144	29, 323, 148	294, 095, 865	38, 070, 889
1877	130, 956, 493	98	118, 630, 310	31, 819, 518	281, 406, 419	37, 082, 736
1878	130, 170, 680		110, 581, 625	17, 011, 574	257, 763, 879	32, 154, 148
1879	137, 250, 048		113, 561, 611	23. 015, 526	273, 827, 185	40, 425, 661
1880	186, 522, 064		124, 009, 374	22, 995, 173	333, 526, 611	38, 116, 916
1881	198, 159, 676	3, 022	135, 261, 364	27, 358. 231	360, 782, 293	40, 466, 461
1882	220, 410, 730		146, 497. 596	36, 616. 924	403, 525, 250	43, 570, 494
1883	214, 706, 497		144, 720, 369	38, 860, 716	398, 287, 582	48, 911, 333
1884	195, 067, 490	55, 628	121, 530, 445	31, 866, 307	348, 519, 870	39, 429. 603
1885	181, 471, 939		112, 498, 726	29, 720, 041	323. 690, 706	42, 670, 578
1886	192, 905, 023		116, 805, 936	26, 728, 767	336, 439, 726	34, 324, 153
1887	217, 286, 893		118, 823; 391	35, 292, 993	371, 403, 277	38, 561, 026
1888	219, 091, 174		124, 296, 872	35, 878, 029	379, 266, 075	38, 522, 436
1889	223, 832, 742		130, 881, 514	32, 335, 803	387, 050, 059	44, 435, 271
1890	229, 668, 585		142, 606, 706	30, 805, 693	403, 080, 984	44, 582, 838
1891	219, 522, 205		145, 686, 250	27, 403, 992	392, 612. 447	48, 720, 065
1892	177, 452, 964		153, 971, 072	23. 513, 748	354, 937, 784	46, 895, 456
1893	203, 355, 017		161, 027, 624	21, 436, 988	385, 819, 629	49, 641. 773
1894	131, 818, 531		147, 111, 233	27, 425, 552	306, 355, 316	54, 567, 930
1895	152, 158, 617	77, 131	143, 344, 541	29, 149, 130	324, 729, 419	51, 804, 759
1896	160, 021, 752		146, 762, 865	31, 357, 830	338, 142, 447	50, 830, 921
1897	176, 554, 127		146, 688, 574	24, 479, 004	347, 721. 705	48, 950, 268
1898	149, 575, 062		170, 900, 642	84, 845, 631	405, 321, 335	91, 992, 000
1899	206, 128, 482		273, 437, 162	36, 394, 977	515, 960, 621	229, 841, 254
1900	233, 164, 871		295, 327, 927	38, 748, 054	567, 240, 852	134, 774, 768
1901	238, 585, 456		307, 180, 664	41, 919, 218	587, 685, 338	144, 615, 697
1902	254, 444, 708		271, 880, 122	36, 153, 403	562, 478, 233	112, 272, 216
1903	284, 479, 582		230, 810, 124	46, 591, 016	561, 880, 722	118, 629, 505
1904	261, 274, 565		232, 904, 119	46, 908, 401	541, 087, 085	165, 199, 911
1905	261, 798, 857		234, 095, 741	48, 380, 087	544, 274, 685	126, 093, 894
1906	300, 251, 878		249, 150, 213	45. 582, 355	594, 984, 446	137, 326, 066
1907	332, 233, 363		269, 666, 773	63, 960, 250	665, 860, 386	149, 775, 084
1908	286, 113, 130		251, 711, 127	64, 037, 650	601, 861, 907	175, 840, 453
1909	300, 711, 934		246, 212, 644	57, 395, 920	604, 320, 498	192, 486, 904
1910	333, 683, 445	20, 951, 781	268, 981, 738	51, 894, 751	675, 511, 715	189, 823, 379
1911	314, 497, 071	33, 516, 977	289, 012, 224	64. 806, 639	701, 832, 911	197, 199, 491
1912	311, 321, 672	28, 583, 304	293, 028, 896	59, 675, 332	692, 609, 204	184, 122, 793
1913	318, 891, 396	35, 006, 300	309, 410, 666	60. 802, 868	724, 111, 230	202, 128, 711
1914	292, 320, 014	71, 381, 275	308, 659, 733	62, 312, 145	734, 673. 167	208, 349, 746
1915	209, 786, 672	80, 201, 759	335, 467, 887	72, 454, 509	697, 910, 827	202, 160, 134
1916	213, 185, 846	124, 937, 253	387, 764, 776	56, 646, 673	782, 534, 548	183, 176, 439
1917	225, 962, 393	359. 681, 228	449, 684, 980	88, 996, 194	1, 124, 324, 795	377, 940, 870
1918	179, 998, 385	2, 314, 006, 292	872, 028, 020	298. 550, 168	3, 664, 582, 865	4, 869, 955, 286
1919	184, 457, 867	3, 018, 783, 687	1, 296, 501, 292	652, 514, 290	5, 152, 257, 136	9, 009, 075, 789
1920	322, 902, 650	3, 944, 949, 288	1, 460, 082, 287	966, 631, 164	6, 694, 565, 389	1, 621, 953, 095
1921	308, 564, 391	3, 206, 046, 158	1, 390, 379, 823	719, 942, 589	5, 624, 932, 961	1, 118, 076, 423
1922	356, 443, 387	2, 068, 128, 193	1, 145, 125, 064	539, 407, 507	4, 109, 104, 151	457, 756, 139
1923	561, 928, 867	1, 678, 607. 428	945, 865, 333	820, 733, 853	4, 007, 135, 481	397, 050, 596
1924	545, 637, 504	1, 842, 144, 418	953, 012, 618	671, 250, 162	4, 012, 044, 702	357, 016, 878

Footnotes at end of table.

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for the fiscal years 1789 through 1943 [1]—Continued

penditures, excluding debt retirements				Statutory debt retirements (sinking fund, etc.)	Surplus or deficit (—)	
Navy Department [4]	Interest on the public debt	All other [4]	Total expenditures, excluding debt retirements		Gross (including debt retirements)	Net (excluding debt retirements)
$12,747,977	$1,678,265	$34,107,692	$67,795,708		$1,169,605	$1,169,605
13,984,551	1,567,056	33,148,280	74,185,270		−27,529,904	−27,529,904
14,642,990	2,638,464	28,545,700	69,070,977		−15,584,512	−15,584,512
11,514,965	3,177,315	32,028,551	63,130,598		− 7,065,990	− 7,065,990
12,420,888	4,000,174	27,144,433	66,546,645		−25,036,714	−25,036,714
42,668,277	13,190,325	24,534,810	474,761,819		−422,774,363	−422,774,363
63,221,964	24,729,847	27,490,313	714,740,725		−602,043,434	−602,043,434
85,725,995	53,685,422	35,119,382	865,322,642		−600,695,871	−600,695,871
122,612,945	77,397,712	66,221,206	1,297,555,224		−963,840,619	−963,840,619
43,324,118	133,067,742	59,967,855	520,809,417		37,223,203	37,223,203
31,034,011	143,781,592	87,502,657	357,542,675		133,091,335	133,091,335
25,775,503	140,424,046	87,894,088	377,340,285		28,297,798	28,297,798
20,000,758	130,694,243	93,668,286	322,865,278		48,078,469	48,078,469
21,780,230	129,235,498	100,982,157	309,653,561		101,601,916	101,601,916
19,431,027	125,576,566	111,369,603	292,177,188		91,146,757	91,146,757
21,249,810	117,357,840	103,538,156	277,517,963		96,588,905	96,588,905
23,526,257	104,750,688	115,745,162	290,345,245		43,392,960	43,392,960
30,932,587	107,119,815	122,267,544	302,633,873		2,344,883	2,344,883
21,497,626	103,093,545	108,911,576	274,623,393		13,376,658	13,376,658
18,963,310	100,243,271	107,823,615	265,101,085		28,994,780	28,994,780
14,959,935	97,124,512	92,167,292	241,334,475		40,071,944	40,071,944
17,365,301	102,500,875	84,944,003	236,964,327		20,799,552	20,799,552
15,125,127	105,327,949	106,069,147	266,947,884		6,879,301	6,879,301
13,536,985	95,757,575	120,231,482	267,642,958		65,883,653	65,883,653
15,686,672	82,508,741	122,051,014	260,712,888		100,069,405	100,069,405
15,032,046	71,077,207	128,301,693	257,981,440		145,543,810	145,543,810
15,283,437	59,160,131	142,053,187	265,408,138		132,879,444	132,879,444
17,292,601	54,578,379	132,825,661	244,126,244		104,393,626	104,393,626
16,021,080	51,386,256	150,149,021	260,226,935		63,463,771	63,463,771
13,907,888	50,580,146	143,670,952	242,483,139		93,956,587	93,956,587
15,141,127	47,741,577	166,488,451	267,932,181		103,471,096	103,471,096
16,926,438	44,715,007	167,760,920	267,924,801		111,341,274	111,341,274
21,378,809	41,001,484	192,473,414	299,288,978		87,761,081	87,761,081
22,006,206	36,099,284	215,352,383	318,040,711		85,040,273	85,040,273
26,113,896	37,547,135	253,392,808	365,773,904		26,838,543	26,838,543
29,174,139	23,378,116	245,575,620	345,023,331		9,914,453	9,914,453
30,136,084	27,264,392	276,435,704	383,477,953		2,341,676	2,341,676
31,701,294	27,841,406	253,414,651	367,525,281		−61,169,965	−61,169,965
28,797,796	30,978,030	244,614,713	356,195,298		−31,465,879	−31,465,879
27,147,732	35,385,029	238,815,764	352,179,446		−14,036,999	−14,036,999
34,561,546	37,791,110	244,471,235	365,774,159		−18,052,454	−18,052,454
58,823,985	37,585,056	254,967,542	443,368,583		−38,047,248	−38,047,248
63,942,104	39,896,925	271,391,896	605,072,179		−89,111,558	−89,111,558
55,953,078	40,160,333	289,972,668	520,860,847		46,380,005	46,380,005
60,506,978	32,342,979	287,151,271	524,616,925		63,068,413	63,068,413
67,803,128	29,108,045	276,050,860	485,234,249		77,243,984	77,243,984
82,618,034	28,556,349	287,202,239	517,006,127		44,874,595	44,874,595
102,956,102	24,646,490	290,857,397	583,659,900		−42,572,815	−42,572,815
117,550,308	24,590,944	299,043,768	567,278,914		−23,004,229	−23,004,229
110,474,264	24,308,576	298,093,372	570,202,278		24,782,168	24,782,168
97,128,469	24,481,158	307,744,131	579,128,842		86,731,544	86,731,544
118,037,097	21,426,138	343,892,632	659,196,320		−57,334,413	−57,334,413
115,546,011	21,803,836	363,907,134	693,743,885		−89,423,387	−89,423,387
123,173,717	21,342,979	359,276,990	693,617,065		−18,105,350	−18,105,350
119,937,644	21,311,334	352,753,043	691,201,512		10,631,399	10,631,399
135,591,956	22,616,300	347,550,285	689,881,334		2,727,870	2,727,870
133,262,862	22,899,108	366,221,282	724,511,963		−400,733	−400,733
139,682,186	22,863,957	364,185,542	735,081,431		−408,264	−408,264
141,835,654	22,902,897	393,688,117	760,586,802		−62,675,975	−62,675,975
153,853,567	22,900,869	374,125,327	734,056,202		48,478,346	48,478,346
239,632,757	24,742,702	1,335,365,422	1,977,681,751		−853,356,956	−853,356,956
1,278,840,487	189,743,277	6,358,163,421	12,696,702,471	$1,134,234	−9,033,253,840	−9,032,119,606
2,002,310,785	619,215,569	6,884,277,812	18,514,879,955	8,014,750	−13,370,637,569	−13,362,622,819
736,021,456	1,020,251,622	3,025,117,668	6,403,343,841	78,746,350	212,475,198	291,221,548
650,373,836	999,144,731	2,348,332,700	5,115,927,690	[6] 422,281,500	86,723,771	509,005,271
476,775,194	991,000,759	1,447,075,808	3,372,607,900	422,694,600	313,801,651	736,496,251
333,201,362	1,055,923,690	1,508,451,881	3,294,627,529	402,850,491	309,657,461	712,507,952
332,249,137	940,602,913	1,418,809,037	3,048,677,965	457,999,750	505,366,987	963,366,737

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TABLE 2.—*Receipts and expenditures*

Year	Receipts					Ex
	Customs (including tonnage tax)	Internal revenue		Other receipts [2]	Total receipts [3]	War Department (including rivers and harbors, and Panama Canal) [4]
		Income and profits taxes	Other			
1925	$547,561,226	$1,760,537,824	$828,638,068	$643,411,567	$3,780,148,685	$370,980,708
1926	579,430,093	1,982,040,088	855,599,289	545,686,220	3,962,755,690	364,089,945
1927	605,499,983	2,224,992,800	644,421,542	654,480,116	4,129,394,441	369,114,122
1928	568,986,188	2,173,952,557	621,018,666	678,390,745	4,042,348,156	400,989,683
1929	602,262,786	2,330,711,823	607,307,549	492,968,067	4,033,250,225	425,947,194
1930	587,000,903	2,410,986,978	628,308,036	551,645,785	4,177,941,702	464,853,518
1931	378,354,005	1,860,394,295	569,386,721	381,503,611	3,189,638,632	478,418,974
1932	327,754,969	1,057,335,853	503,670,481	116,964,134	2,005,725,437	476,305,311
1933	250,750,251	746,206,445	858,217,512	224,522,534	2,079,696,742	434,620,860
1934	313,434,302	817,961,481	1,822,642,347	161,515,919	3,115,554,050	408,586,783
1935	343,353,034	1,099,118,638	2,178,571,390	179,424,141	3,800,467,202	487,995,220
1936	386,811,594	1,426,575,434	2,086,276,174	216,293,413	4,115,956,615	618,587,184
1937	486,356,599	2,163,413,817	2,168,726,286	210,343,535	5,028,840,237	628,104,285
1938	359,187,249	2,640,284,711	2,647,033,726	208,155,541	5,854,661,227	644,263,842
1939	318,837,311	2,188,757,289	2,469,463,558	187,765,468	5,164,823,626	695,256,481
1940	348,590,636	2,125,324,635	2,640,097,620	273,111,779	5,387,124,670	907,160,151
1941	391,870,013	3,469,637,849	3,230,736,400	514,967,590	7,607,211,852	3,938,943,048
1942	388,948,427	7,960,464,973	4,163,799,712	285,848,509	12,799,061,621	14,325,508,098
1943	324,290,778	16,093,668,781	4,947,297,425	[5] 916,385,725	22,281,642,709	42,525,562,523

NOTE.—For postal receipts and expenditures, see table 14. Figures are rounded to nearest dollar and will not necessarily add to totals.

[1] From 1789 to 1842 the fiscal year ended December 31; from 1844 to date, on June 30. Figures for 1843 are for a half year, Jan. 1 to June 30.

[2] Comprises railroad unemployment insurance contributions, proceeds of Government-owned securities, Panama Canal tolls, etc., seigniorage, and other miscellaneous. For details of Panama Canal receipts, see table 13.

[3] Total receipts are exclusive of net receipts under Title VIII of the Social Security Act. Amounts representing appropriations equal to "Social security taxes-Federal Insurance Contributions Act" collected and deposited under sec. 201 (a) of the Social Security Act Amendments of 1939, less reimbursements to the General Fund for administrative expenses, are deducted on the daily Treasury statement from total receipts. Such amounts are reflected under trust account receipts as net appropriations to the Federal old-age and survivors insurance trust fund.

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for the fiscal years 1789 through 1943 [1]—Continued

penditures, excluding debt retirements				Statutory debt retirements (sinking fund, etc.)	Surplus or deficit (—)	
Navy Department [4]	Interest on the public debt	All other [4]	Total expenditures, excluding debt retirements		Gross (including debt retirements)	Net (excluding debt retirements)
$346,142,001	$881,806,662	$1,464,175,961	$3,063,105,332	$466,538,114	$250,505,239	$717,043,353
312,743,410	831,937,700	1,588,840.768	3,097,611,823	487,376,051	377,767,816	865,143,867
318,909,096	787,019,578	1,498.986,878	2,974,029,674	519,554,845	635,809,921	1,155,364,766
331,335,492	731,764,476	1,639,175,204	3,103,264,855	540,255,020	398,828,281	939.083,301
364,561,544	678,330,400	1,830,020,348	3,298,859,486	549,603,704	184,787,035	734,390,739
374,165,639	659,347,613	1,941,902,117	3,440.268,884	553,883,603	183,789,215	737,672,818
354,071,004	611,559,704	2,207,466,030	3,651,515,712	440,082,000	−901,959,080	−461,877,080
357,517,834	599,276,631	3.102,047,362	4,535,147,138	412,629,750	−2,942,051,451	−2,529,421,701
349,372,794	689,365,106	2,390,186,162	3,863,544,922	461,604,800	−2,245,452,981	−1,783,848,181
296,927,490	756,617,127	4,548,951,854	6,011,083,254	359,864,093	−3,255,393,297	−2,895,529,205
436,265,532	820,926,353	5,264,688,207	7,009,875,312	573,558,250	−3,782,966,360	−3,209,408.110
528,882,143	749.396,802	6,768,779,293	8,665,645,422	403,240,150	−4.952,928,957	−4,549,688.807
556.674,066	866,384,331	6,126.246,074	8,177,408,756	103,971,200	−3,252,539,719	−3,148,568,519
596,129,739	926,280,714	5,072,147,863	7,238,822,158	65,464,950	−1,449.625,881	−1,384,160.931
672,722,327	940,539,764	6,398,573,009	8,707,091,581	58,246,450	−3.600,514,405	−3,542,267,955
891,484,523	1.040,935,697	6,158,609,335	8,998,189.706	129,184,100	−3,740.249,137	−3,611,065,037
2,313,057,956	1,110,692,812	5,347,936,008	12,710.629,824	64,260,500	−5.167,678,472	−5.103,417,972
8,579.588,976	1.260,085,336	8,231,402,688	32,396,535,098	94,722,300	−19,692,245,777	−19,597,523,477
20,888,349,026	1,808,160,396	12,956,813,297	78,178,885,241	3,463,400	−55,900,705,932	−55.897,242,532

[4] Excludes civil expenditures under War and Navy Departments in Washington, to and including fiscal year 1915. For details of Panama Canal expenditures, see table 13. Additional expenditures for "War activities" are reflected in the column "All other." Complete expenditures for "War activities" are shown in table 4.

[5] Includes civil expenditures under War and Navy Departments in Washington, to and including fiscal year 1915, and unavailable funds charged off under act of June 3, 1922 (42 Stat. 1592).

[6] Receipts and public debt retirements for 1921 exclude $4,842,066.45 written off the public debt Dec. 31, 1920. See note 4, p. 598.

[7] Beginning with the fiscal year 1932, tonnage tax has been covered into the Treasury as miscellaneous receipts reflected in column "Other receipts."

[8] Includes deposits by the War and Navy Departments and the United States Maritime Commission on account of renegotiation of war contracts, such amount, on the basis of covering warrants, totaling $558,162,713.49. Also includes $9,815,513.68 representing repayment of amounts paid to the Commodity Credit Corporation for capital impairment.

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Detailed tables on receipts and expenditures

TABLE 3.—*Classification of monthly and total receipts, fiscal year 1943, and comparative totals, fiscal year 1942*

[On basis of daily Treasury statements, see p. 459]

PART A. GENERAL AND SPECIAL ACCOUNTS

Source	Fiscal year 1943						
	July 1942	August 1942	September 1942	October 1942	November 1942	December 1942	January 1943
Internal revenue:							
Income tax (including unjust enrichment tax)	$273,057,148.28	$155,301,386.96	$2,125,833,393.45	$205,661,468.88	$199,368,035.07	$1,972,109,750.07	$306,473,086.84
Miscellaneous internal revenue	415,829,316.55	361,569,953.00	309,425,765.94	349,734,607.64	337,015,225.06	630,053,760.25	365,337,439.67
Social security taxes:							
Employment taxes	49,371,007.56	211,685,313.13	3,435,382.03	43,949,212.79	231,074,771.34	3,516,783.70	37,117,447.01
Tax on employers of 8 or more (employment taxes)	2,842,285.78	8,452,284.31	882,344.56	2,618,582.88	8,689,376.13	950,014.38	13,606,444.06
Taxes upon carriers and their employees (employment taxes)	977,435.48	11,454,831.54	36,491,492.67	1,126,358.61	8,183,017.84	42,847,667.68	1,074,907.94
Railroad unemployment insurance contributions	8,677.67	159,915.33	2,244,761.53	10,557.65	93,803.03	2,456,072.70	6,271.10
Customs	24,283,409.44	22,173,074.72	20,369,062.19	24,446,089.83	23,016,807.59	24,473,354.05	24,781,716.94
Miscellaneous receipts:							
Proceeds of Government-owned securities:							
Principal—foreign obligations							
Interest—foreign obligations							
Other	9,527,235.04	4,778,545.26	1,739,384.80	305,655.40	1,300,070.44	5,712,742.66	18,156,006.60
Panama Canal tolls, etc.	620,903.08	636,726.95	1,095,704.97	641,048.52	491,734.80	768,389.86	825,308.18
Seigniorage	5,424,228.99	6,512,546.79	8,166,707.17	8,258,987.96	6,409,707.44	6,411,845.21	5,309,360.22
Other miscellaneous	12,176,273.43	13,814,675.65	18,111,905.39	11,261,045.21	14,177,595.44	12,494,281.58	51,056,428.31
Total receipts	794,117,921.30	796,539,253.64	2,527,795,904.70	648,013,615.37	829,820,144.18	2,701,794,662.14	823,744,416.87
Deduct:							
Net appropriation to Federal old-age and survivors insurance trust fund [1]	47,109,244.50	209,423,550.07	1,173,618.96	41,422,760.56	228,548,319.11	990,331.47	35,307,968.73
Net receipts	747,008,676.80	587,115,703.57	2,526,622,285.74	606,590,854.81	601,271,825.07	2,700,804,330.67	788,436,448.14

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Source	Fiscal year 1943					Total fiscal year 1943	Total fiscal year 1942
	February 1943	March 1943	April 1943	May 1943	June 1943		
Internal revenue:							
Income tax (including unjust enrichment tax)	$379,635,109.71	$4,731,981,878.58	$1,000,456,332.26	$940,301,024.20	$3,803,490,166.84	$16,093,668,781.14	$7,960,464,972.99
Miscellaneous internal revenue	351,944,303.52	374,164,322.30	346,161,644.66	358,655,308.08	352,757,951.33	4,552,649,598.00	3,847,078,238.21
Social security taxes:							
Employment taxes	236,743,447.84	2,858,324.03	43,406,567.79	264,568,374.04	2,768,569.44	1,130,495,200.70	895,618,838.82
Tax on employers of 8 or more (employment taxes)	99,042,043.45	3,242,956.03	3,259,852.76	11,653,244.78	3,121,098.13	158,360,527.25	119,944,146.04
Taxes upon carriers and their employees (employment taxes)	7,387,128.88	41,765,650.97	2,971,283.74	5,896,774.12	48,618,342.72	208,794,892.19	170,011,691.46
Railroad unemployment insurance contributions	127,003.18	2,519,998.34	8,267.13	46,767.43	2,586,498.81	10,268,593.90	8,472,212.10
Customs	26,046,467.36	32,347,863.36	31,800,865.84	36,683,113.20	33,868,953.54	324,290,778.06	388,948,426.88
Miscellaneous receipts:							
Proceeds of Government-owned securities:							
Principal—foreign obligations					6,844.86	6,844.86	
Interest—foreign obligations					162,100.70	162,100.70	19,656.32
Other	7,734,581.70	1,440,352.96	5,814,876.21	2,082,001.13	1,710,994.80	60,302,447.00	15,474,389.12
Panama Canal tolls, etc	759,783.37	548,929.85	679,924.58	956,317.89	673,713.44	8,698,485.49	12,297,850.46
Seigniorage	6,500,312.64	7,625,810.02	7,544,748.61	5,993,283.46	2,953,506.21	77,111,044.72	87,566,724.37
Other miscellaneous	73,972,160.17	8,866,992.45	112,773,104.28	114,764,139.76	316,367,606.86	[2] 759,836,208.53	[3] 162,017,677.07
Total receipts	1,189,892,341.82	5,207,363,078.89	1,554,877,467.86	1,741,600,348.09	4,569,086,347.68	23,384,645,502.54	13,667,914,823.84
Deduct:							
Net appropriation to Federal old-age and survivors insurance trust fund [1]	234,933,969.56	1,048,845.74	40,840,125.57	262,001,931.82	202,127.21	1,103,002,793.30	868,853,202.82
Net receipts	954,958,372.26	5,206,314,233.15	1,514,037,342.29	1,479,598,416.27	4,568,884,220.47	22,281,642,709.24	12,799,061,621.02

[1] Represents appropriations equal to "Social security taxes—Federal Insurance Contributions Act" collected and deposited as provided under sec. 201 (a) of the Social Security Act Amendments of 1939 less reimbursements to the General Fund for administrative expenses in the amount reflected under receipts for the Federal old-age and survivors insurance trust fund.

[2] Includes deposits by the War and Navy Departments and the United States Maritime Commission on account of renegotiation of war contracts, such amount, on the basis of covering warrants, totaling $558,162,713.49. Also includes $9,815,513.68 representing repayment of amounts paid to the Commodity Credit Corporation for capital impairment.

[3] Includes $18,000,000.00 representing repayment of amounts paid to the Commodity Credit Corporation for capital impairment.

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TABLE 3.—*Classification of monthly and total receipts, fiscal year 1943, and comparative totals, fiscal year 1942*—Continued

PART B. TRUST ACCOUNTS, INCREMENT ON GOLD, ETC.

Source	Fiscal year 1943						
	July 1942	August 1942	September 1942	October 1942	November 1942	December 1942	January 1943
Federal old-age and survivors insurance trust fund: [4]							
Appropriations	$49,371,007.56	$211,685,313.13	$3,435,382.03	$43,949,212.79	$231,074,771.34	$3,516,783.70	$37,117,447.01
Less reimbursements to General Fund	2,261,763.06	2,261,763.06	2,261,763.07	2,526,452.23	2,526,452.23	2,526,452.23	1,809,478.28
Net appropriations [5]	47,109,244.50	209,423,550.07	1,173,618.96	41,422,760.56	228,548,319.11	990,331.47	35,307,968.73
Interest on investments	18,082.19	78,904.11	135,032.88	654,123.33	115,068.49	835,947.38	164,383.56
Net receipts	47,127,326.69	209,502,454.18	1,308,651.84	42,076,883.89	228,663,387.60	1,826,278.85	35,472,352.29
Agricultural Marketing Administration:							
Sale of commodity stamps	14,017,013.50	13,117,530.75	12,477,506.25	11,508,939.00	10,310,669.00	10,080,272.00	8,127,605.75
Transfers from General Fund	18,530,000.00	7,000,072.00	1,800,000.00	20,375,000.00	50,200.00	22,500,000.00	50.00
Railroad retirement account:							
Interest on investments	13,972.60	46,109.59	73,232.88	92,054.79	129,287.67	157,315.07	184,438.36
Transfers from General Fund	112,601,000.00			33,500,000.00			34,000,000.00
Unemployment trust fund:							
Deposits by States	51,883,426.28	215,906,609.34	8,720,167.19	49,812,690.98	241,689,063.83	12,928,507.60	39,971,506.72
Interest on investments	5,808.42		49,524.46	20,210.60		38,057,454.29	[6] *159,195.75*
Railroad unemployment insurance account:							
Deposits by Railroad Retirement Board	78,158.73	1,439,622.02	20,203,407.89	95,482.54	845,965.55	22,109,889.79	57,380.88
Transfers from railroad unemployment insurance administration fund (act Oct. 10, 1940)		5,973,300.00					
Other trust accounts:							
Adjusted service certificate fund:							
Interest on loans and investments	3,176.00	2,429.44	2,923.90	2,766.85	3,738.65	3,942.60	713,433.56
Alaska Railroad retirement fund:							
Deductions from employees' salaries, etc	17,487.46	2,045.78	15,085.92	15,126.93	14,566.66	13,651.94	15,026.73
Interest on investments					217.97	201.64	
Transfers from General Fund (United States share)	175,000.00						
Canal Zone retirement fund:							
Deductions from employees' salaries, etc	95,858.75	100,405.52	12,476.73	99,347.95	91,292.41	100,395.16	110,007.05
Interest on investments	6.79	88.33	110.90	471.78	503.01	463.78	351.78
Transfers from General Fund (United States share)	1,177,000.00						
Civil service retirement fund:							
Deductions from employees' salaries, etc	13,079,794.31	16,669,037.96	17,289,197.41	17,809,840.74	18,395,527.06	19,634,471.94	16,646,415.75
District of Columbia share	879,575.00						
Interest and profits on investments							
Transfers from General Fund (United States share)	105,258,000.00						

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Source	Fiscal year 1943					Total fiscal year 1943	Total fiscal year 1942
	February 1943	March 1943	April 1943	May 1943	June 1943		
Federal old-age and survivors insurance trust fund: [4]							
Appropriations	$236,743,447.84	$2,858,324.03	$43,406,567.79	$264,568,374.04	$2,768,569.44	$1,130,495,200.70	$895,618,838.82
Less reimbursements to General Fund	1,809,478.28	1,809,478.29	2,566,442.22	2,566,442.22	2,566,442.23	27,492,407.40	26,765,636.00
Net appropriations [5]	234,933,969.56	1,048,845.74	40,840,125.57	262,001,931.82	202,127.21	1,103,002,793.30	868,853,202.82
Interest on investments	243,616.44	945,591.83	305,589.04		83,906,683.23	87,403,022.48	71,006,562.23
Net receipts	235,177,586.00	1,994,437.57	41,145,714.61	262,001,931.82	84,108,810.44	1,190,405,815.78	939,859,765.05
Agricultural Marketing Administration:							
Sale of commodity stamps	4,731,271.25	142,622.25	34.75	[a] *9.50*	12.25	84,513,467.25	205,240,633.75
Transfers from General Fund			700,000.00	[a] *400,000.00*		70,555,322.00	126,208,000.00
Railroad retirement account:							
Interest on investments	193,150.68	237,534.25	240,821.92	292,027.40	4,116,904.13	5,776,849.34	3,143,058.91
Transfers from General Fund			34,700,000.00			214,801,000.00	140,850,000.00
Unemployment trust fund:							
Deposits by States	261,206,274.07	11,208,968.36	34,838,552.36	276,672,366.56	12,847,557.18	1,217,685,690.47	1,095,990,713.42
Interest on investments					44,449,995.21	82,423,797.23	67,420,985.97
Railroad unemployment insurance account:							
Deposits by Railroad Retirement Board	1,144,199.98	22,680,606.29	85,887.30	423,173.14	23,277,597.83	92,441,371.94	76,265,850.75
Transfers from railroad unemployment insurance administration fund (act Oct. 10, 1940)						5,973,300.00	3,909,667.00
Other trust accounts:							
Adjusted service certificate fund:							
Interest on loans and investments	41.81	672.16	1,145.55	1,303.73		735,574.25	648,856.04
Alaska Railroad retirement fund:							
Deductions from employees' salaries, etc	13,667.35	29,646.72	13,393.64	12,914.01	13,401.09	176,014.23	161,615.68
Interest on investments	26.52			36.71	58,920.22	59,403.06	48,293.15
Transfers from General Fund (United States share)						175,000.00	175,000.00
Canal Zone retirement fund:							
Deductions from employees' salaries, etc	107,507.78	187,586.35	11,869.65	192,853.42	21,591.21	1,131,191.98	1,169,818.44
Interest on investments	477.37	570.52		587.40	306,864.54	310,496.20	258,156.37
Transfers from General Fund (United States share)						1,177,000.00	1,177,000.00
Civil service retirement fund:							
Deductions from employees' salaries, etc	19,710,296.31	21,508,344.43	21,182,495.15	21,659,358.22	21,896,493.99	225,481,273.27	86,053,011.96
District of Columbia share						879,575.00	849,640.00
Interest and profits on investments				9,141.37	37,779,721.99	37,788,863.36	29,722,392.61
Transfers from General Fund (United States share)						105,258,000.00	100,911,562.00

[a] Counter-entry receipts (deduct).
[4] Includes transactions formerly classified under the caption, "Old-age reserve account."
[5] See footnote 1, p. 473.

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TABLE 3.—*Classification of monthly and total receipts, fiscal year 1943, and comparative totals, fiscal year 1942*—Continued

PART B. TRUST ACCOUNTS, INCREMENT ON GOLD, ETC.—Continued

Source	Fiscal year 1943						
	July 1942	August 1942	September 1942	October 1942	November 1942	December 1942	January 1943
Other trust accounts—Continued.							
District of Columbia:							
Revenues from taxes, etc	$2,128,053.61	$1,738,407.64	$6,679,724.22	$11,907,288.25	$2,896,502.33	$2,581,240.43	$2,805,258.31
Transfers from General Fund (United States share)	6,000,000.00						
Foreign service retirement fund:							
Deductions from employees' salaries, etc	237,963.93	2,824.54	7,543.74	2,434.73	11,118.94	3,084.89	1,470.22
Interest on investments	78.14	224.22	272.22	485.26	536.55	746.08	820.82
Transfers from General Fund (United States share)	630,800.00						
Government life insurance fund:							
Interest and profits on investments	629,985.00	52,054.79	3,335,900.60	866,405.00		1,439,481.35	629,985.00
Premiums and other receipts	5,405,739.13	3,638,852.75	3,570,302.96	4,838,303.85	3,735,047.21	4,380,458.58	6,166,435.12
Indian tribal funds	656,386.05	636,355.87	572,701.26	667,292.15	649,083.72	347,749.98	729,778.03
Insular possessions	325,331.23	311,179.09	298,934.25	301,232.28	267,704.85	269,594.58	259,898.54
National service life insurance fund:							
Interest and profits on investments							
Premiums and other receipts	8,339,927.75	[a] *4,881,292.65*	29,673,129.53	16,979,416.83	18,893,430.98	25,775,586.37	26,286,211.91
Transfers from General Fund	4,953,524.31	5,698,368.92	3,658,755.68	2,295,801.96	2,485,393.22	2,401,981.00	1,131,462.86
Other [2]	6,418,536.04	4,851,988.02	6,190,767.93	8,355,171.15	7,464,041.64	9,326,560.25	10,197,587.14
Unclassified	1,577,195.15	3,534,434.48	[a] *5,236,581.29*	[a] *386,697.74*	[a] *550,571.47*	[a] *47,615.80*	504,291.64
Other funds and accounts:							
Increment resulting from reduction in the weight of the gold dollar	15,440.49	17,837.57	19,639.19	22,670.15	28,593.82	19,768.38	16,652.09
Seigniorage [3]							
Total receipts	402,261,565.36	485,360,940.15	110,724,425.66	221,258,619.92	536,075,301.20	173,911,481.35	183,869,224.80

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Source	Fiscal year 1943					Total fiscal year 1943	Total fiscal year 1942
	February 1943	March 1943	April 1943	May 1943	June 1943		
Other trust accounts—Continued.							
District of Columbia:							
Revenues from taxes, etc.	$2,327,829.67	$9,048,595.42	$11,281,403.03	$4,883,245.80	$2,364,182.11	$60,641,730.82	$56,906,098.04
Transfers from General Fund (United States share)						6,000,000.00	6,000,000.00
Foreign service retirement fund:							
Deductions from employees' salaries, etc.	6,821.74	4,939.00	5,526.17	3,012.34	4,312.93	291,053.17	299,336.39
Interest on investments	795.62	1,050.96	1,199.34	1,248.22	235,521.32	242,978.75	215,472.55
Transfers from General Fund (United States share)						630,800.00	621,700.00
Government life insurance fund:							
Interest and profits on investments		3,337,441.48	1,239,306.37		24,305,506.67	35,836,066.26	34,240,054.39
Premiums and other receipts	3,560,593.63	4,809,378.94	4,703,424.75	3,979,099.91	5,140,619.70	53,928,256.53	57,373,361.50
Indian tribal funds	554,884.98	470,370.00	430,417.46	714,683.94	561,322.74	6,991,026.18	7,063,784.29
Insular possessions	139,636.76	169,509.68	114,865.77	246,651.42	222,920.46	2,927,458.91	18,998,717.45
National service life insurance fund:							
Interest and profits on investments					4,967,969.16	4,967,969.16	433,551.37
Premiums and other receipts	12,632,626.13	30,102,151.31	34,757,949.42	39,225,837.82	42,900,068.86	280,685,044.26	44,880,246.62
Transfers from General Fund	1,654,233.04	1,207,825.59	2,567,928.73	1,513,102.41	926,222.45	30,494,600.17	1,047,057.65
Other	7,432,851.85	9,724,354.53	17,125,937.69	8,970,505.61	9,918,743.28	105,977,045.13	65,416,799.74
Unclassified	[a] *886,033.59*	1,718,120.02	[a] *2,211,644.45*	360,686.01	210,444.01	[a] *1,351,922.43*	3,443,509.15
Other funds and accounts:							
Increment resulting from reduction in the weight of the gold dollar	26,316.00	24,236.41	12,774.42	22,323.03	15,478.39	241,729.94	298,559.69
Seigniorage [b]							13,581,830.38
Total receipts	549,796,054.95	118,608,962.24	202,949,003.63	620,786,080.79	320,651,182.16	3,926,252,842.21	3,190,884,099.71

[a] Counter-entry receipts (deduct).

[b] This item of seigniorage represents the difference between the cost value and the monetary value of silver bullion revalued and held to secure silver certificates issued on account of silver acquired under the Silver Purchase Act of 1934 and under the President's proclamation dated August 9, 1934.

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TABLE 4.—*Classification of monthly expenditures, fiscal year 1943*

[On basis of daily Treasury statements (see p. 459), adjusted to provide uniform classification of expenditures on a basis comparable to that in effect during the fiscal year ended June 30, 1943, including changes as a result of Executive orders involving reorganizations]

SUMMARY OF EXPENDITURES

Classification	Fiscal year 1943						
	July 1942	August 1942	September 1942	October 1942	November 1942	December 1942	January 1943
PART A. GENERAL AND SPECIAL ACCOUNTS							
I. General:							
A. Departmental (see p. 480)	$63,254,469.74	$54,887,385.62	$61,029,122.40	$53,590,559.37	$53,510,959.07	$58,467,764.48	$62,751,818.43
B. Agricultural programs (see p. 482)	55,281,894.56	40,778,559.85	89,245,937.75	60,182,484.88	76,961,726.81	81,232,976.19	93,236,926.75
C. Federal Security Agency and Federal Works Agency (see p. 486)	166,074,360.21	115,181,106.35	78,659,151.87	115,836,659.02	77,080,506.89	62,815,795.66	97,598,991.90
D. Other (see p. 486)	128,450,754.61	101,469,299.01	314,172,547.49	170,841,586.08	112,802,260.41	451,745,223.89	137,080,160.87
Total general expenditures	413,061,479.12	312,316,350.83	543,706,759.51	400,451,289.35	320,355,453.18	654,261,760.22	390,667,897.95
II. War activities (see p. 488)	4,497,857,549.41	4,884,044,443.78	5,384,427,689.54	5,481,098,198.48	6,041,549,211.93	5,824,937,352.34	5,946,673,206.66
III. Revolving funds (see p. 490)	187,254.59	200,827.64	*a 2,551,940.97*	*a 896,856.86*	*a 1,732,074.33*	*a 4,898,009.00*	*a 155,526.52*
IV. Transfers to trust accounts (see p. 492)	249,325,324.31	18,671,740.92	5,458,755.68	56,170,801.96	2,535,593.22	24,901,981.00	35,131,512.86
Total expenditures, excluding debt retirements	5,160,431,607.43	5,215,233,363.17	5,931,041,263.76	5,937,323,432.93	6,362,708,184.00	6,499,809,084.56	6,372,317,090.95
V. Debt retirements (see p. 492)	1,832,050.00	184,450.00	180,800.00	171,400.00	82,100.00	775,550.00	162,450.00
Total expenditures	5,162,263,657.43	5,215,417,813.17	5,931,222,063.76	5,937,494,832.93	6,362,790,284.00	6,500,584,634.56	6,372,479,540.95
PART B. TRUST ACCOUNTS, INCREMENT ON GOLD, ETC.							
I. Trust accounts, etc. (see p. 494)	329,485,855.86	287,269,473.47	333,669,675.32	134,226,128.49	249,814,530.08	420,135,043.34	132,773,746.51
II. Increment on gold, transactions in checking accounts, etc. (see p. 496)	78,471,762.92	261,591,752.12	24,853,861.02	582,905,775.26	*a 449,242,820.57*	548,112,942.97	186,020,740.91
Total expenditures	407,957,618.78	548,861,225.59	358,523,536.34	717,131,903.75	*a 199,428,290.49*	968,247,986.31	318,794,487.42

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Classification	Fiscal year 1943					Total fiscal year 1943	Total fiscal year 1942
	February 1943	March 1943	April 1943	May 1943	June 1943		
PART A. GENERAL AND SPECIAL ACCOUNTS							
I. General:							
A. Departmental (see p. 481)	$54,703,551.46	$60,712,379.23	$72,904,036.86	$79,962,387.11	$55,886,777.12	$732,261,210.89	$685,384,930.72
B. Agricultural programs (see p. 483)	102,811,836.91	117,571,527.04	90,161,358.84	78,550,516.90	48,471,501.30	934,487,247.78	976,089,277.83
C. Federal Security Agency and Federal Works Agency (see p. 487)	66,031,024.30	70,034,559.24	100,785,270.94	45,767,045.15	24,801,428.91	1,020,666,900,.44	1,923,073,159.37
D. Other (see p. 487)	122,405,667.76	352,996,707.52	175,261,759.38	123,246,218.46	717,331,545.90	2,907,803,731.38	2,401,678,262.51
Total general expenditures	345,952,080.43	601,315,173.03	439,113,426.02	327,526,167.62	846,491,253.23	5,595,219,090.49	5,986,225,630.43
II. War activities (see p. 489)	5,769,864,999.07	6,743,800,218.58	6,973,677,657.66	7,091,665,001.90	7,469,266,674.71	72,108,862,204.06	26,011,065,089.39
III. Revolving funds (see p. 491)	1,155,838.65	7,371,344.69	15,672,334.52	14,247,890.38	10,031,841.36	39,738,924.15	18,394,391.22
IV. Transfers to trust accounts (see p. 493)	1,654,233.04	1,207,825.59	37,967,928.73	1,113,102.41	926,222.45	435,065,022.17	380,899,936.65
Total expenditures, excluding debt retirements	6,118,627,151.19	7,353,694,561.89	7,466,431,346.93	7,434,552,162.31	8,326,715,991.75	78,178,885,240.87	32,396,585,097.69
V. Debt retirements (see p. 493)	64,750.00	9,300.00	1,000.00	*450.00*		3,463,400.00	94,722,300.00
Total expenditures	6,118,691,901.19	7,353,703,861.89	7,466,432,346.93	7,434,551,712.31	8,326,715,991.75	78,182,348,640.87	32,491,307,397.69
PART B. TRUST ACCOUNTS, INCREMENT ON GOLD, ETC.							
I. Trust accounts, etc. (see p. 495)	301,802,684.56	367,637,546.88	137,947,962.17	303,795,769.69	608,237,158.72	3,606,795,575.09	3,071,662,916.81
II. Increment on gold, transactions in checking accounts, etc. (see p. 497)	369,963,082.19	299,839,271.01	17,139,779.36	355,796,025.90	*81,765,194.70*	2,193,686,978.39	3,624,726,133.08
Total expenditures	671,765,766.75	667,476,817.89	155,087,741.53	659,591,795.59	526,471,964.02	5,800,482,553.48	6,696,389,049.89

* Excess of credits (deduct).

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TABLE 4.—*Classification of monthly expenditures, fiscal year 1943*—Continued

DETAIL OF EXPENDITURES

PART A. GENERAL AND SPECIAL ACCOUNTS

Classification	Fiscal year 1943						
	July 1942	August 1942	September 1942	October 1942	November 1942	December 1942	January 1943
I. General:							
A. Departmental (not otherwise classified):							
Agriculture Department [1]	$19,495,757.48	$7,202,691.29	$8,377,838.84	$7,394.292.77	$6,753,485.24	$7,929,866.50	$18,131,218.40
Commerce Department:							
Civil Aeronautics Authority	1,191,705.66	9,359,503.78	704,729.12	1,349,225.33	3,485,215.60	2,353,881.30	3,199,720.94
Other	1,659,790.39	2,457,292.30	1,972,823.36	1,877,254.54	2,878,382.57	1,960,610.82	3,006,734.97
Executive Office:							
Bureau of the Budget	108,130.15	104,143.52	113,382.79	105,621.05	83,251.13	107,721.00	123,752.00
Executive proper	41,790.02	32,039.98	39,148.82	38,351.51	37,763.05	36,580.82	46,855.56
National Resources Planning Board	51,337.36	49,969.80	54,856.74	67,533.56	50,253.49	54,918.48	55,647.70
Other		189.74	277.41			38.40	76.70
Independent offices and commissions	6,976,783.37	6,620,879.21	6,722,900.76	7,003,127.54	6,024,452.04	5,362,985.12	6,465,283.26
Interior Department	8,893,230.91	6,749,232.51	4,464,148.39	8,035,252.77	8,525,585.80	8,532,608.40	5,559,003.00
Judicial	967,628.95	896,614.90	919,514.63	976,490.68	1,000,168.57	1,005,582,88	997,780.53
Justice Department	5,989,908.20	4,626,514,74	3,272,797.98	5,502,590.30	2,979,511.19	4,701,755.41	5,210,921.26
Labor Department	1,054.683,48	2,054,818.75	1,656,648.08	1,865,021.47	2,146,862.88	1,614,507.51	2,081,879.66
Legislative establishment	1,064,363.93	1,845,854.73	3,684,354.52	1,787,097.53	1,630,269.29	3,747,746.22	*a 497,050.74*
Post Office Department	*a 530,426.70*	*a 5,323,434.79*	5,815,451.11	*a 5,007,820.64*	69,632.52	*a 529,901.21*	*a 67,645.81*
State Department	2,376,423.67	2,892,265.48	3,635,564.54	3,337,337.25	2,100,562.53	2,707,552.66	2,028,419.25
Treasury Department [1]	15,276,672.36	20,431,130.09	13,550,053.03	19,823.370.96	14,305,884.49	16,212,641.98	15,595,583.49
Unclassified	*a 1,206,319.62*	*a 5,997,040.64*	8,040,745.85	*a 1,309,847.50*	1,663,658.71	*a 1,048,336.73*	5,914,446.02
	63,411,459.61	54,002,665.39	63,025,235.97	52,844,899.12	53,734,939.10	54.750,759.56	67,852,626.19
Adjustment for disbursing officers' checks outstanding	−156,989.87	+884,720.23	−1,396,113.57	+745,660.25	−223,980.03	+3,717,004.92	−5,100,807.76
Subtotal	63.254,469.74	54,887,385.62	61,629,122.40	53,590,559.37	53,510,959.07	58,467,764.48	62,751,818.43

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Classification	Fiscal year 1943					Total fiscal year 1943	Total fiscal year 1942
	February 1943	March 1943	April 1943	May 1943	June 1943		
I. General:							
A. Departmental (not otherwise classified):							
Agriculture Department [1]	$8,128,037.18	$9,654,768.50	$11,561,937.34	$7,212,302.60	$10,272,884.48	$122,115,080.62	$123,540,155.67
Commerce Department:							
Civil Aeronautics Authority	3,398,778.30	*3,251,194.52*	3,495,033.27	11,694,123.16	*4,321,873.91*	32,658,848.03	29,237,130.66
Other	2,633,069.50	3,172,685.09	1,936,613.02	2,393,138.77	3,277,927.68	29,226,323.01	30,719,611.28
Executive Office:							
Bureau of the Budget	118,547.71	168,903.63	131,706.68	139,093.90	134,431.29	* 1,438,684.85	1,138,064.02
Executive proper	42,571.32	41,871.60	43,744.90	42,168.36	46,575.32	489,461.26	499,107.44
National Resources Planning Board	30,830.83	64,198.35	54,729.71	50,052.82	59,409.54	643,738.38	700,275.78
Other	170.23	5.00		23.50	83.75	864.73	
Independent offices and commissions	6,668,770.50	8,825,168.56	7,614,629.15	8,627,638.16	4,597,921.32	81,510,538.99	69,825,414.26
Interior Department	6,953,461.25	7,758,849.44	9,062,793.10	6,103,621.12	4,878,670.99	85,516,457.68	110,621,796.64
Judicial	1,009,532.07	1,051,673.40	1,058,411.10	1,069,648.67	1,067,113.14	12,020,159.52	11,537,736.82
Justice Department	4,702,011.19	6,151,286.86	7,991,308.96	6,560,761.30	5,694,663.36	63,384,030.75	64,346,081.12
Labor Department	2,284,866.99	1,375,248.08	2,303,761.43	2,452,073.30	1,806,837.85	22,697,209.48	22,948,396.57
Legislative establishment	3,259,882.48	2,459,523.19	4,158,554.27	*358,825.41*	3,912,883.89	26,694,653.90	27,268,973.19
Post Office Department	118,104.60	72,986.88	*3,444,202.40*	8,027,867.83	*5,209,642.74*	*6,009,031.55*	*579,094.34*
State Department	3,640,465.44	3,245,319.20	2,391,711.74	3,046,972.30	2,090,147.32	33,492,741.38	28,912,144.02
Treasury Department [1]	17,342,149.03	20,378,565.94	24,372,711.62	20,793,370.81	26,518,303.17	224,600,436.97	159,496,664.57
Unclassified	*5,527,874.89*	*671,214.61*	1,193,654.36	*593,463.04*	494,625.14	953,533.05	*215,828.20*
	54,803,873.73	60,498,644.59	73,927,098.25	77,260,568.15	55,320,961.59	731,433,731.25	679,996,629.50
Adjustment for disbursing officers' checks outstanding	−100,322.27	+213,734.64	−1,023,061.39	+2,701,818.96	+565,815.53	+827,479.64	+5,388,301.22
Subtotal	54,703,551.46	60,712,379.23	72,904,036.86	79,962,387.11	55,886,777.12	732,261,210.89	685,384,930.72

* Excess of credits (deduct).

[1] Includes adjustment for fiscal years 1942 and 1943 to cover expenditures for foreign war and refugee relief formerly classified under the caption "Departmental" and classified herein as "War activities."

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TABLE 4.—*Classification of monthly expenditures, fiscal year 1943*—Continued

DETAIL OF EXPENDITURES—Continued

PART A. GENERAL AND SPECIAL ACCOUNTS—Continued

Classification	Fiscal year 1943						
	July 1942	August 1942	September 1942	October 1942	November 1942	December 1942	January 1943
I. General—Continued.							
B. Agricultural programs: [2]							
Agricultural Conservation and Adjustment Administration:							
Administration of Sugar Act of 1937	$1,097,962.06	$3,935,407.80	$855,638.96	$1,349,989.22	$65,932.34	$218,530.46	$2,943,903.40
Agricultural Adjustment Agency	79,133.37	*a 3,843,310.71*	*a 794,811.35*	*a 13,695,296.11*	*a 6,513.73*	*a 241.15*	76.59
Agricultural Adjustment Act of Aug. 24, 1935	3,801,991.93	2,576,305.69	1,928,705.91	3,810,521.07	11,080,382.47	2,383,534.49	4,727,720.12
Agricultural contract adjustments	573.12	779.62	*a 2,313.82*	103.84	186.15	49.28	*a 171.56*
Federal Crop Insurance Act:							
Administrative expenses	225,782.12	155,464.53	2,166,489.59	1,699,468.45	159,485.88	114,794.71	121,181.67
Subscriptions to capital stock of Federal Crop Insurance Corporation	5,000,000.00		10,000,000.00				
Price Adjustment Act of 1938 and parity payments	6,858,893.64	15,190,822.72	8,392,115.40	20,371,430.98	27,072,146.85	28,088,438.58	26,813,649.10
Soil Conservation and Domestic Allotment Act	31,002,820.81	10,873,780.44	12,216,526.99	34,673,488.24	27,888,515.73	39,306,796.36	51,081,969.74
Unclassified	*a 776,712.92*	57,756.95	*a 58,567.57*	21,928.20	*a 40,036.62*	20,766.53	*a 4,578.02*
Agricultural Marketing Administration:							
Surplus Marketing	*a 31,153.93*	60,011.30	*a 2,059.72*	*a 1,813.17*	2,004.40	1,448.34	165.13
Commodity Credit Corporation, restoration of capital impairment							

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Classification	Fiscal year 1943					Total fiscal year 1943	Total fiscal year 1942
	February 1943	March 1943	April 1943	May 1943	June 1943		
I. General—Continued.							
B. Agricultural programs: [2]							
Agricultural Conservation and Adjustment Administration:							
Administration of Sugar Act of 1937	$5,254,042.09	$8,110,474.76	$9,009,217.37	$6,349,297.97	$8,106,152.81	$47,296,549.24	$38,531,112.51
Agricultural Adjustment Agency	35,937.54	1,631.87	[a] *424.24*	[a] *6,856.67*	[a] *2,157.04*	[a] *17,731,831.63*	1,937,087.61
Agricultural Adjustment Act of Aug. 24, 1935	3,109,354.76	3,253,133.40	2,590,368.05	7,084,401.35	8,808,559.34	55,154,978.58	61,106,325.92
Agricultural contract adjustments	22.67	[a] *232.92*	[a] *192.12*	81.65	936.96	[a] *177.13*	12,290.79
Federal Crop Insurance Act:							
Administrative expenses	142,109.60	130,397.31	119,612.50	110,837.74	89,770.04	5,235,394.14	7,148,752.43
Subscriptions to capital stock of Federal Crop Insurance Corporation						15,000,000.00	6,000,000.00
Price Adjustment Act of 1938 and parity payments	26,475,649.11	20,045,736.72	15,539,929.78	6,946,835.50	931,137.76	202,726,786.14	197,104,670.67
Soil Conservation and Domestic Allotment Act	56,860,426.03	71,066,383.31	53,899,769.87	44,662,683.46	24,555,474.80	458,088,635.78	473,711,048.25
Unclassified	2,344.55	[a] *3,765.66*	[a] *2,796.33*	18,456.89	[a] *11,231.34*	[a] *776,435.34*	778,127.94
Agricultural Marketing Administration:							
Surplus Marketing	[a] *402.04*	380.03	108,817.79	6,897.06	26,422.28	170,717.47	3,615,426.19
Commodity Credit Corporation, restoration of capital impairment							[3] 1,637,445.51

[a] Excess of credits (deduct).
[2] Additional expenditures are included in Department of Agriculture under "Departmental" above.
[3] Represents capital impairment applicable to fiscal year 1941 but not appropriated by Congress until July 3, 1941.

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TABLE 4.—*Classification of monthly expenditures, fiscal year 1943*—Continued

DETAIL OF EXPENDITURES—Continued

PART A. GENERAL AND SPECIAL ACCOUNTS—Continued

Classification	Fiscal year 1943						
	July 1942	August 1942	September 1942	October 1942	November 1942	December 1942	January 1943
I. General—Continued.							
B. Agricultural programs—Continued.							
Farm Credit Administration:							
Banks for cooperatives—capital stock			$2,500,000.00	$10,000,000.00	$10,000,000.00	$5,000,000.00	$500,000.00
Crop loans	*(1) 373,138.96*	*(1) 31,370,977.31*	*(1) 2,389,792.86*	*(1) 4,875,637.79*	*(1) 4,260,841.54*	*(1) 1,721,019.03*	*(1) 898,620.24*
Other	*(1) 175,446.19*	700,774.76	*(1) 285,858.82*	1,354,215.07	706,277.27	*(1) 321,867.18*	*(1) 395,204.40*
Unclassified	48,907.01	*(1) 176,287.02*	595,148.68	*(1) 297,573.91*	318.31	*(1) 149.19*	*(1) 28.51*
Farm Security Administration	6,989,185.80	3,828,298.41	3,264,955.83	3,355,296.41	3,098,905.29	3,392,086.00	3,114,294.80
Farm Tenant Act:							
Loans	93,769.00	313.00		27.00		.63	37.63
Other	601,677.05	400,365.98	234,349.99	350,706.69	442,359.45	309,687.55	320,834.42
Unclassified	*(1) 2,566.50*			*(1) 27.00*	*(1) 113.82*	140.82	1,814.45
Federal Farm Mortgage Corporation, reduction in interest rate on mortgages		1,964,114.48				2,129,771.12	
Federal land banks:							
Capital stock		*(1) 195,900.00*	50,000,000.00				*(1) 15,465.00*
Reduction in interest rates on mortgages		4,703,091.82		1,060,250.11		1,434,798.86	4,333,025.03
Subscriptions to paid-in surplus		597,777.44	*(1) 485,000.00*		*(1) 375,000.00*	426,945.91	
Forest roads and trails	391,553.17	489,066.15	711,653.07	579,079.99	522,271.71	153,088.21	308,242.17
Rural Electrification Administration:							
Loans	202,203.64	83,427.03	111,282.42	59,481.62	64,499.06	110,754.70	49,942.83
Other	246,460.34	246,876.77	227,455.05	366,845.97	540,947.10	184,611.75	234,137.40
Unclassified					.51	*(1) .51*	
Subtotal	55,281,894.56	40,778,559.85	89,245,937.75	60,182,484.88	76,961,726.81	81,232,976.19	93,236,926.75

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Classification	Fiscal year 1943					Total fiscal year 1943	Total fiscal year 1942
	February 1943	March 1943	April 1943	May 1943	June 1943		
I. General—Continued.							
B. Agricultural programs—Continued.							
Farm Credit Administration: [4]							
Banks for cooperatives—capital stock						$28,000,000.00	$55,000,000.00
Crop loans	$1,876,806.62	$4,787,281.31	$3,624,284.95	$1,983,602.92	$392,817.81	*a 3,224,634.17*	2,279,659.83
Other	22,030.54	385,989.20	183,858.15	405,810.61	370,762.90	2,951,361.91	7,831,165.25
Unclassified	30,894.49	*a 50,894.49*	*a 267.26*	267.26		170,344.37	*a 170,334.17*
Farm Security Administration	3,743,172.33	3,993,550.50	3,360,493.49	3,570,954.77	3,407,731.25	45,118,924.88	60,028,625.16
Farm Tenant Act:							
Loans	*a 3,383.00*	.40				90,764.66	289,334.11
Other	238,076.18	376,132.99	302,951.46	308,618.86	304,779.05	4,190,539.67	5,827,655.86
Unclassified	*a 1,810.99*	*a 13.99*	10.53	30.64	*a 30.64*	*a 2,566.50*	2,566.50
Federal Farm Mortgage Corporation, reduction in interest rate on mortgages		2,631,415.41		2,090,487.79		8,815,788.80	9,607,575.24
Federal land banks:							
Capital stock	*a 81,715.00*		2,900,000.00		1,500,000.00	54,106,920.00	*a 144,720.00*
Reduction in interest rates on mortgages	4,516,766.45	2,630,762.76	520,126.51	4,289,548.94	867,683.15	24,356,053.63	26,501,503.11
Subscriptions to paid-in surplus		*a 500,000.00*	*a 2,468,092.14*		*a 1,500,000.00*	*a 4,243,368.79*	136,252.23
Forest roads and trails	341,896.15	441,051.02	230,889.29	445,081.23	382,883.89	4,996,756.05	8,193,608.96
Rural Electrification Administration:							
Loans	21,879.15	13,014.53	13,522.51	50,315.90	22,094.85	802,418.24	5,133,861.45
Other	227,739.68	239,120.36	229,256.90	232,163.03	217,713.43	3,193,327.78	3,990,230.48
Unclassified		*a 21.78*	21.78				
Subtotal	102,811,836.91	117,571,527.04	90,161,358.84	78,550,516.90	48,471,501.30	934,487,247.78	976,089,277.83

[a] Excess of credits (deduct).
[4] Additional transactions are included in revolving funds stated separately below.

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TABLE 4.—*Classification of monthly expenditures, fiscal year 1943*—Continued

DETAIL OF EXPENDITURES—Continued

PART A. GENERAL AND SPECIAL ACCOUNTS—Continued

Classification	Fiscal year 1943						
	July 1942	August 1942	September 1942	October 1942	November 1942	December 1942	January 1943
I. General—Continued.							
C. Federal Security Agency and Federal Works Agency:							
Federal Security Agency: [5]							
Civilian Conservation Corps	$7,109,967.18	$4,743,859.49	$1,324,521.78	$155,110.14	$103,245.58	[a] *$18,491,703.83*	$1,506,179.78
Social Security Board:							
Administrative expenses	2,069,288.17	2,101,531.73	1,880,762.82	2,180,599.65	1,666,808.01	2,103,478.53	1,999,243.98
Grants to States (social security)	73,125,364.10	36,874,020.22	17,688,536.27	56,708,162.83	34,977,330.53	29,974,705.88	49,470,076.48
Other	772,747.15	166,72	57.90	[a] *143.31*	[a] *1.07*		284.87
Unclassified	[a] *66.87*	42.75	[a] *137.95*	[a] *183.99*	271.59	[a] *335.46*	18,425.06
Other [6]	11,415,188.90	9,630,957.91	4,046,484.09	8,428,920.66	2,907,700.09	3,349,182.72	10,118,816.01
Federal Works Agency:							
Public Buildings Administration:							
Construction	3,128,946.68	1,634,606.36	1,343,117.03	1,920,841.12	1,182,490.40	837,578.87	513,924.74
Other	2,468,585.42	2,666,844.30	2,436,168.50	3,070,318.44	2,581,332.51	2,983,821.27	3,758,695.90
Unclassified	[a] *41,389.76*	[a] *2,258.69*	[a] *7,754.58*	[a] *209.93*	187,198.10	[a] *174,932.20*	[a] *10,568.89*
Public Roads Administration	11,165,246.78	13,539,090.07	11,640,884.25	11,417,815.54	5,430,379.35	9,274,832.93	6,133,237.85
Public Works Administration: [4]							
Administrative expenses	13,065.36	50,042.81	1,901.08	23,066.96	3,686.47	26,329.80	[a] *2,629.14*
Grants (act June 21, 1938)	1,206,676.97	890,478.71	2,825,801.95	755,118.02	381,884.95	5,267,338.21	3,500.00
Loans (act June 21, 1938)							
Other	5,196.50	26,276.64	22,375.57	24,562.66	21,708.63	19,560.69	33,463.54
Unclassified	[a] *35,582.81*	6,833.99	2,497.11	1,771.71	4,970.59	[a] *6,241.34*	[a] *816.28*
Work Projects Administration	53,624,188.81	42,980,877.06	35,416,748.39	31,116,627.63	27,612,425.16	27,579,250.18	24,033,566.00
Other	45,931.13	37,736.28	37,187.61	34,280.89	19,076.00	72,929.38	23,592.00
Subtotal	166,074,360.21	115,181,106.35	78,659,151.87	115,836,659.02	77,080,506.89	62,815,795.66	97,598,991.90
D. Other:							
Interior Department: [7]							
Reclamation projects	6,310,772.66	8,108,761.93	5,029,957.14	7,491,572.61	5,595,886.89	5,106,960.34	5,143,203.00
National Housing Agency:							
Federal Housing Administration	50,001.48	339.23	[a] *690.04*		56,070.99	508,597.75	620,728.29
Federal Public Housing Authority [8]	631,335.74	79,875.38	71,022.67	1,468,952.32	286,652.88	1,431,543.27	225,568.15
Other [9]	99,543.04	99,815.55	105,757.11	111,708.33	93,705.12	100,186.93	122,684.75
Panama Canal	2,245,156.44	883,969.07	2,455,215.76	2,590,294.16	1,142,611.97	7,348,259.09	3,383,759.81
Post Office Department (deficiency):							
Current							
Prior years	37,939.43					677.99	

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Classification	Fiscal year 1943					Total fiscal year 1943	Total fiscal year 1942
	February 1943	March 1943	April 1943	May 1943	June 1943		
I. General—Continued.							
C. Federal Security Agency and Federal Works Agency:							
Federal Security Agency: [5]							
Civilian Conservation Corps	[a] *$96,944.51*	$359,113.22	$20,716,072.79	$225,789.14	$259,639.07	$17,914,849.83	$162,670,199.39
Social Security Board:							
Administrative expenses	2,096,425.11	2,733,926.85	2,281,671.78	2,155,059.18	2,255,311.18	25,524,106.99	24,752,160.70
Grants to States (social security)	21,307,528.39	32,895,729.78	52,502,998.41	31,828,146.79	10,498,431.02	447,852,030.70	446,671,536.92
Other					[a] *76.00*	773,036.26	1,685,918.50
Unclassified	[a] *25,428.40*	11,128.92	[a] *3,675.51*	[a] *107.01*	.25	[a] *66.62*	118.75
Other [6]	8,538,129.77	3,619,698.19	8,182,737.61	5,591,030.76	4,697,928.30	80,526,775.01	162,874,011.52
Federal Works Agency:							
Public Buildings Administration:							
Construction	664,288.01	548,703.64	644,490.01	825,001.58	683,663.44	13,927,651.88	33,779,675.61
Other	3,690,462.36	3,983,456.32	3,248,037.71	1,973,785.24	1,267,365.22	34,128,873.19	26,562,442.60
Unclassified	[a] *8,122.43*	[a] *3,201.44*	9,754.89	63,952.57	[a] *74,024.48*	[a] *61,550.79*	26,666.15
Public Roads Administration	10,504,030.44	9,197,303.26	1,839,248.05	[a] *5,639,569.00*	2,399,007.54	[10] 86,901,507.06	152,609,757.20
Public Works Administration: [4]							
Administrative expenses	16,447.03	[a] *2,886.42*	8,168.94	[a] *262.10*	6,627.64	143,558.43	463,569.15
Grants (act June 21, 1938)	284,352.74	504,206.88	578,285.53	400,037.40	34,010.35	13,131,691.74	27,739,232.68
Loans (act June 21, 1938)							313,984.00
Other	16,383.68	32,171.64	38,072.16	58,648.97	59,995.00	358,415.68	
Unclassified	3,769.91	[a] *3,454.59*	[a] *22.44*	22.44	.13	[a] *26,251.08*	26,251.21
Work Projects Administration	19,027,066.38	16,149,579.15	10,631,229.53	8,222,027.94	2,623,008.49	299,016,594.72	882,443,460.43
Other	12,635.82	9,083.84	109,201.48	63,481.25	90,541.76	555,677.44	454,174.56
Subtotal	66,031,024.30	70,034,559.24	100,786,270.94	45,767,045.15	24,801,428.91	1,020,666,900.44	1,923,073,159.37
D. Other:							
Interior Department: [7]							
Reclamation projects	4,925,943.16	4,931,672.58	6,342,469.96	4,114,114.43	5,473,451.84	68,574,766.54	91,438,941.58
National Housing Agency:							
Federal Housing Administration	362,791.70	453,454.75	493,561.72	357,569.37	586,744.15	3,489,169.39	5,975,482.97
Federal Public Housing Authority [8]	[a] *187,732.19*	4,020,324.41	[a] *27,181.66*	642,587.43	1,094,969.18	9,737,917.58	10,073,835.13
Other [9]	98,905.61	134,661.65	107,078.99	104,508.06	108,520.24	1,287,075.38	1,459,650.90
Panama Canal	2,938,258.56	1,655,370.77	3,421,891.39	918,229.72	1,520,445.97	30,503,462.71	37,540,017.85
Post Office Department (deficiency):							
Current					16,000,000.00	16,000,000.00	19,000,000.00
Prior years			1,728.77		[a] *1,419,471.42*	[a] *1,379,125.23*	[a] *691,130.81*

[a] Excess of credits (deduct).

[4] Additional transactions are included in revolving funds stated separately below.

[5] See footnote 15.

[6] Includes National Youth Administration expenditures for the fiscal year 1942. Expenditures for the fiscal year 1943 are included under the caption "War activities, Office for Emergency Management."

[7] Additional expenditures in corresponding caption under "Departmental" above.

[8] Formerly United States Housing Authority, the functions of which were transferred to the Federal Public Housing Authority of the National Housing Agency, pursuant to Executive Order No. 9070, dated Feb. 24, 1942.

[9] Includes expenditures prior to Apr. 1, 1942, of the Federal Loan Agency, which expenditures cannot be segregated from other expenditures in this classification. The remaining functions of the Federal Loan Agency were transferred to the Department of Commerce under Executive Order No. 9071, dated Feb. 24, 1942.

[10] This item has been reduced by $42,387,538.65 for the fiscal year. Expenditures under War Department have been increased by a like amount on account of expenditures previously made by the Public Roads Administration in connection with work performed for the War Department.

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TABLE 4.—*Classification of monthly expenditures, fiscal year 1943*—Continued

DETAIL OF EXPENDITURES—Continued

PART A. GENERAL AND SPECIAL ACCOUNTS—Continued

Classification	Fiscal year 1943						
	July 1942	August 1942	September 1942	October 1942	November 1942	December 1942	January 1943
I. General—Continued.							
D. Other—Continued.							
Railroad Retirement Board:							
Acquisition of service and compensation data	$377,855.00	$436,617.50	$292,679.50	$223,386.50	$295,469.00	$177,372.00	$265,639.50
Administrative expenses	230,295.69	216,804.68	216,461.92	227,283.15	206,709 55	259,778.72	220,712.19
Railroad unemployment insurance administration fund	168,326.63	188,753.78	154,689.54	140,123.66	157,073.25	161,775.89	147,966.04
Unclassified							
River and harbor work and flood control	11,983,993.35	18,864,838.87	18,127,897.49	21,683,937.89	11,637,576.29	17,021,449.55	12,652,485.13
Tennessee Valley Authority	16,559,816.94	11,965,232.85	11,481,416.58	10,152,723.97	11,438,325.78	9,997,601.51	7,280,309.84
Treasury Department: [7]							
Interest on the public debt	34,843,151.98	7,027,640.99	224,429,702.31	70,491,053.99	28,090,977.14	352,591,492.27	53,843,153.42
Refunds of taxes and duties:							
Customs	3,027,701.99	1,795,783.97	1,152,706.12	2,124,048.97	1,237,006.48	1,497,925.58	1,300,860.63
Internal revenue	3,728,000.16	4,293,826.75	3,877,118.29	4,462,434.04	3,035,346.37	7,807,586.22	4,117,399.32
Processing tax on farm products	885,275.42	401,292.86	632,680.84	830,192.99	2,642,622.83	1,045,925.83	292,105.32
Unclassified	33,255.20	*[8] 35,101.21*	2,525.42	*[8] 25,051.85*	21,216,52	60.16	123.25
Veterans' Administration	47,238,333.46	47,140,846.81	46,143,406.84	48,868,925.35	46,865,009.35	46,688,030.79	47,463,462.23
Subtotal	128,450,754.61	101,469,299.01	314,172,547.49	170,841,586.08	112,802,260.41	451,745,223.89	137,080,160.87
Total general expenditures	413,061,479.12	312,316,350.83	543,706,759.51	400,451,289.35	320,355,453.18	654,261,760.22	390,667,897.95
II. War activities: [11]							
War Department	2,860,998,525.33	2,874,774,101.39	3,518,619,210.56	3,417,327,150.41	3,538,138,214.05	3,769,752,368.22	4,052,807,798.27
Navy Department	1,103,080,869.84	1,375,853,450.14	1,293,917,014.63	1,596,153,856.78	1,477,958,730.58	1,379,589,602.13	1,273,735,936.84
Agriculture Department [12]	89,549,953.76	60,984,691.20	93,710,206.58	51,318,664.19	433,406,956.17	21,159,452.15	17,529,879.03
Federal Security Agency: [13]							
Office of Education	27,294,610.03	12,063,731.61	4,969,506.94	19,532,152.47	15,063,661.90	5,254,058.14	15,097,046.62
Other	777,963.73	*[8] 1,204,128.23*	1,102,291.37	986,248.07	1,024,498.11	1,218,852.54	1,306,660.64
Unclassified	62,649.63	2,337,925.80	*[8] 2,458,418.53*	45,831.40	*[8] 13,622.60*	*[8] 77,978.57*	130,930.18
Federal Works Agency:							
Public Roads Administration	4,089,956.44	7,152,313.66	5,271,202.53	12,116,094.61	8,976,164.73	11,107,894.60	9,178,983.43
Public works (community facilities)	7,142,119.38	8,887,583.43	7,919,690.21	6,820,655.14	5,341,845.05	7,459,962.63	8,046,171.35
Other	395,682.43	798,426.29	1,032,030.21	*[8] 1,973,098.20*	748,636.34	681,196.91	244,272.18
Unclassified	72,328.86	448,123.46	*[8] 931,593.89*	475,068.77	*[8] 64,044.08*	3,800.12	*[8] 54,865.81*

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Classification	Fiscal year 1943					Total fiscal year 1943	Total fiscal year 1942
	February 1943	March 1943	April 1943	May 1943	June 1943		
I. General—Continued.							
D. Other—Continued.							
Railroad Retirement Board:							
Acquisition of service and compensation data	$236,393.00	$137,250.00	$140,166.00	$20,601.00	$78,639.00	$2,682,068.00	$4,724,114.00
Administrative expenses	245,336.64	287,128.18	215,679.47	206,989.47	191,145.19	2,724,324.85	2,856,222.64
Railroad unemployment insurance administration fund	209,562.67	188,109.25	188,604.52	212,600.84	274,021.03	2,191,607.10	2,506,305.92
Unclassified	7,346.40	[a] *7,346.40*					.10
River and harbor work and flood control	17,188,970.86	18,283,019.25	14,683,985.57	15,199,034.37	23,916,953.40	201,244,142.02	190,501,698.30
Tennessee Valley Authority	7,627,180.26	7,332,827.29	7,487,556.60	4,147,675.48	6,003,348.33	111,474,015.43	126,986,550.27
Treasury Department: [7]							
Interest on the public debt	34,914,523.32	262,124,978.65	88,807,545.60	41,580,136.68	609,416,039.16	1,808,160,395.51	1,260,085,336.46
Refunds of taxes and duties:							
Customs	697,219.31	1,302,061.37	536,580.97	890,675.43	841,940.68	16,404,511.50	19,495,861.08
Internal revenue	5,328,778.60	2,689,476.78	4,988,010.49	5,919,460.92	4,988,444.42	55,235,882.36	53,466,629.53
Processing tax on farm products	48,962.08	99,019.56	84,701.87	446,832.06	90,754.09	7,500,365.75	21,437,069.45
Unclassified	899.83	[a] *17,468.11*	16,500.25	[a] *73.63*	5.40	[a] *3,108.77*	392.73
Veterans' Administration	47,762,327.95	49,382,167.54	47,772,878.87	48,485,276.83	48,165,595.24	571,976,261.26	554,821,284.41
Subtotal	122,405,667.76	352,996,707.52	175,261,759.38	123,246,218.46	717,331,545.90	2,907,803,731.38	2,401,678,262.51
Total general expenditures	345,952,080.43	601,315,173.03	439,113,426.02	327,526,167.62	846,491,253.23	5,595,219,090.49	5,986,225,630.43
II. War activities: [11]							
War Department	3,239,370,375.94	3,985,421,067.01	3,726,612,020.26	3,856,761,152.44	3,424,455,034.95	42,265,037,018.83	14,069,958,014.59
Navy Department	2,002,364,495.44	2,053,374,581.98	2,101,786,818.55	2,250,868,073.05	2,979,665,595.55	20,888,349,025.51	8,579,588,975.68
Agriculture Department [12]	11,670,395.53	17,452,320.10	514,241,091.99	381,550,182.35	318,264,786.29	2,010,838,579.34	696,266,847.71
Federal Security Agency: [13]							
Office of Education	10,771,939.25	3,142,453.58	15,725,572.17	8,974,047.75	2,798,844.87	140,687,625.33	106,117,071.65
Other	1,423,013.21	[a] *3,038,568.68*	5,331,256.90	2,264,340.87	1,539,722.14	12,732,150.67	4,610,355.36
Unclassified	[a] *35,388.31*	3,783.96	[a] *17,724.33*	[a] *106,204.88*	146,268.20	18,052.15	2,289.87
Federal Works Agency:							
Public Roads Administration	2,427,230.23	2,322,382.88	4,706,596.21	12,247,709.80	16,661,259.49	96,257,788.61	15,517,340.38
Public works (community facilities)	8,871,633.52	17,872,059.28	10,223,735.44	12,203,352.30	13,593,365.71	114,382,173.44	34,096,119.02
Other	646,501.44	[a] *2,830,372.64*	565,546.37	1,304,507.62	2,860,563.32	4,473,892.27	11,989,322.33
Unclassified	[a] *12,102.28*	[a] *56,893.86*	[a] *53,735.40*	103,562.35	51,104.11	[a] *19,247.65*	72.80

[a] Excess of credits (deduct).

[7] Additional expenditures in corresponding caption under "Departmental" above.

[11] Additional expenditures attributable to war activities, payable from funds which have supplemented regular appropriations of the civil establishment, are included under general expenditures in group I, above.

[12] See footnote 1.

[13] See footnote 15.

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TABLE 4.—*Classification of monthly expenditures, fiscal year 1943*—Continued

DETAIL OF EXPENDITURES—Continued

PART A. GENERAL AND SPECIAL ACCOUNTS—Continued

Classification	Fiscal year 1943						
	July 1942	August 1942	September 1942	October 1942	November 1942	December 1942	January 1943
II. War activities [11]—Continued.							
National Housing Agency	$25,599,931.66	$42,422,692.60	$45,171,375.89	$48,401,606.04	$50,153,891.47	$50,098,063.60	$43,912,987.56
Selective Service (administrative expenses)	4,090,620.83	4,114,361.81	4,531,760.77	2,644,270 07	2,340,101.98	5,422,307.92	3,345,792.78
Treasury Department [12]	94,767,891.51	109,522,745.41	102,489,551.46	109,878,307.97	80,909,113.91	83,389,907.37	95,134,279.04
United States Maritime Commission	184,114,970.41	210,882,189.07	140,707,778.15	46,223,707.79	274,128,936.89	274,903,023.68	331,165,676.58
War Shipping Administration	54,263,781,69	98,527,748.29	112,727,097.92	111,325,802.60	85,222,901.32	126,599,333.77	76,730.334.27
Aid to China							
Other:							
Commerce Department	13,253,844.13	5,246,811.20	11,562,442.83	20,213,994.44	23,746,988.76	27,699,081.32	*a 11,426,229.69*
Executive Office: [14]							
Office for Emergency Management [15]	14,969,890.66	40,648,468.48	22,121,186.96	26,495,327.08	23,114,844.74	31,329,976.59	*a 3,810,059,16*
Other [16]	15,263.46	3,622,275.64	9,320,853.07	8,504,399.37	8,580,701.52	9,571,154.57	14,562,693.30
Justice Department	2,758,516.93	2,598,071 59	3,136,364.80	3,064,762.07	3,200,345.41	3,746,624.11	3,331,130.77
Panama Canal	2,809,317.88	4,345,815.39	6,603,533.79	2,738,531.54	2,687,712.68	3,404,633.95	1,099,420.71
Smaller War Plants Corporation—capital stock		7,500,000.00		5,000.00	56,317.37	522,859.20	696,546.88
Other [17]	6,702,241.50	5,474,465.42	6,844,115.87	3,820,341.16	7,869,363.46	8,105,737.38	1,426,381.39
Unclassified	1,046,619.32	7,042,580.13	*a 3,939,512.58*	*a 5,020,475.29*	*a 1,043,047.83*	3,995,439.81	12,481,439.50
Subtotal	4,497,857,549.41	4,884,044,443.78	5,384,427,689.54	5,481,093,198.48	6,041,549,211.93	5,824,937,352.34	5,946,673,206.66
III. Revolving funds (net):							
Farm Credit Administration:							
Production credit corporations—capital stock							
Other	193,791.47	*a $42,125.36*	*a 491,079.95*	*a 297,684.45*	*a 1,790,064.73*	*a 2,322,187.17*	*a 971,464.76*
Public Works Administration:							
Loans and grants to States, municipalities, etc	*a 6,536.88*	242,953.00	*a 2,069,861.02*	*a 99,172.41*	57,990.40	*a 1,969,821.83*	815,938.24
Subtotal	187,254.59	200,827.64	*a 2,551,940.97*	*a 396,856.86*	*a 1,732,074.33*	*a 4,292,009.00*	*a 155,526.52*

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Classification	Fiscal year 1943					Total fiscal year 1943	Total fiscal year 1942
	February 1943	March 1943	April 1943	May 1943	June 1943		
II. War activities [11]—Continued.							
National Housing Agency	$39,256,053.93	$54,833,417.74	$61,348,957.65	$76,659,653.96	$69,759,286.75	$607,617,918.85	$297,036,283.67
Selective Service (administrative expenses)	4,966,724.60	5,488,399.54	5,512,632.47	5,107,041.88	4,868,776.69	52,432,791.34	32,943,304.50
Treasury Department [12]	78,562,631.19	103,309,398.44	119,502,693.96	105,784,746.26	117,287,312.71	1,200,538,579.23	519,454,465.29
United States Maritime Commission	223,016,953.90	285,465,315.88	247,551,574.67	242,539,597.95	315,052,389.01	2,775,752,113.98	929,451,092.14
War Shipping Administration	67,814,740.20	102,713,327.76	68,504,581.47	84,765,758.99	115,785,126.63	1,104,980,534.91	132,171,175.65
Aid to China	20,050,719.15	20,000,000.00				40,050,719.15	200,000,000.00
Other:							
Commerce Department	12,173,529.51	13,088,169.40	18,684,808.53	*a 20,269,112.13*	23,230,371.16	137,204,699.46	121,900,573.46
Executive Office: [14]							
Office for Emergency Management [15]	30,408,958.56	48,396,585.57	46,984,366.33	30,291,959.05	38,966,985.12	349,918,489.98	173,098,999.82
Other [16]	16,016,168.99	16,628,265.46	10,712,604.58	18,677,360.56	19,651,675.60	135,863,416.12	14,407,721.79
Justice Department	3,296,820.11	4,412,771.43	1,147,004.34	405,420.11	3,059,792.33	34,157,624.00	17,807,432.62
Panama Canal	2,098,616.97	42,551.78	1,781,992.35	1,734,356.28	*a 568,584.27*	28,777,899.05	27,508,367.23
Smaller War Plants Corporation—capital stock	350,595.71	491,139.96	1,010,556.98	1,384,149.66	1,194,661.25	13,211,827.01	
Other [17]	6,619,405.72	9,344,666.42	16,572,578.95	12,255,604.28	6,692,282.20	91,727,183.75	38,842,987.87
Unclassified	*a 12,265,013.44*	5,923,395.59	*a 4,767,872.78*	6,157,741.40	*a 5,749,945.10*	3,871,348.73	*a 11,703,724.04*
Subtotal	5,769,864,999.07	6,743,800,218.58	6,973,677,657.66	7,091,665,001.90	7,469,266,674.71	72,108,862,204.06	26,011,065,089.39
III. Revolving funds (net):							
Farm Credit Administration:							
Production credit corporations—capital stock							15,000,000.00
Other	*a 648,994.81*	7,773,242.28	15,722,900.70	14,084,050.24	9,970,738.90	41,181,122.36	*a 7,907,380.25*
Public Works Administration:							
Loans and grants to States, municipalities, etc	1,804,833.46	*a 401,897.59*	*a 50,566.18*	163,840.14	61,102.46	*a 1,442,198.21*	11,301,771.47
Subtotal	1,155,838.65	7,371,344.69	15,672,334.52	14,247,890.38	10,031,841.36	39,738,924.15	18,394,391.22

a Excess of credits (deduct).

[11] Additional expenditures attributable to war activities, payable from funds which have supplemented regular appropriations of the civil establishment, are included under general expenditures in group I, above.

[12] See footnote 1.

[14] Excludes expenditures for War Shipping Administration, shown above.

[15] Office for Emergency Management includes adjustment for fiscal years 1942 and 1943 to cover expenditures for the Office of Government Reports, formerly classified under the caption "Departmental" and classified herein as "War activities." Also includes expenditures for National Youth Administration, Training within Industry, Apprentice Training Service, and U. S. Employment Service which were transferred by Executive Order No. 9247, dated Sept. 17, 1942, from the Federal Security Agency to the War Manpower Commission in the Office for Emergency Management. In addition, adjustment is made for fiscal year 1943 to cover expenditures of the Council of National Defense, formerly classified under the caption "War activities: Other, Other." (See footnote 6.)

[16] Includes adjustment for fiscal year 1943 to cover expenditures of the Board of Economic Warfare, Office of Censorship, and Petroleum Administration for War, formerly classified under the caption "War activities: Other, Other."

[17] Revised to reflect changes in classification of the Board of Economic Warfare, Office of Censorship, Council of National Defense, and Petroleum Administration for War, now shown under "War activities: Executive Office."

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TABLE 4.—*Classification of monthly expenditures, fiscal year 1943*—Continued

DETAIL OF EXPENDITURES—Continued

PART A. GENERAL AND SPECIAL ACCOUNTS—Continued

Classification	Fiscal year 1943						
	July 1942	August 1942	September 1942	October 1942	November 1942	December 1942	January 1943
IV. Transfers to trust accounts, etc.:							
Agricultural Marketing Administration (surplus commodity stamps) [18]	$18,530,000.00	$7,000,072.00	$1,800,000.00	$20,375,000.00	$50,200.00	$22,500,000.00	$50.00
Federal contribution to District of Columbia (United States share)	6,000,000.00						
Government employees' retirement funds (United States share):							
Alaska Railroad retirement fund	175,000.00						
Canal Zone retirement fund	1,177,000.00						
Civil service retirement fund	105,258,000.00						
Foreign service retirement fund	630,800.00						
National service life insurance fund	4,953,524.31	5,698,368.92	3,658,755.68	2,295,801.96	2,485,393.22	2,401,981.00	1,131,462.86
Railroad retirement account	112,601,000.00			33,500,000.00			34,000,000.00
Railroad unemployment insurance administration fund transfers to unemployment trust fund (act Oct. 10, 1940)		5,973,300.00					
Subtotal	249,325,324.31	18,671,740.92	5,458,755.68	56,170,801.96	2,535,593.22	24,901,981.00	35,131,512.86
Total expenditures, excluding public debt retirements	5,160,431,607.43	5,215,233,363.17	5,931,041,263.76	5,937,323,432.93	6,362,708,184.00	6,499,809,084.56	6,372,317,090.95
V. Public debt retirements:							
Estate taxes, forfeitures, gifts, etc.	500.00	1,000.00		1,000.00		500.00	
Retirements from excess capital of Commodity Credit Corporation							
Sinking fund	1,831,550.00	183,450.00	180,800.00	170,400.00	82,100.00	775,050.00	162,450.00
Subtotal	1,832,050.00	184,450.00	180,800.00	171,400.00	82,100.00	775,550.00	162,450.00
Total expenditures, including public debt retirements	5,162,263,657.43	5,215,417,813.17	5,931,222,063.76	5,937,494,832.93	6,362,790,284.00	6,500,584,634.56	6,372,479,540.95

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Classification	Fiscal year 1943					Total fiscal year 1943	Total fiscal year 1942
	February 1943	March 1943	April 1943	May 1943	June 1943		
IV. Transfers to trust accounts, etc.:							
Agricultural Marketing Administration (surplus commodity stamps) [18]			$700,000.00	[a] [19] *$400,000.00*		$70,555,322.00	$126,208,000.00
Federal contribution to District of Columbia (United States share)						6,000,000.00	6,000,000.00
Government employees' retirement funds (United States share):							
Alaska Railroad retirement fund						175,000.00	175,000.00
Canal Zone retirement fund						1,177,000.00	1,177,000.00
Civil service retirement fund						105,258,000.00	100,911,562.00
Foreign service retirement fund						630,800.00	621,700.00
National service life insurance fund	$1,654,233.04	$1,207,825.59	2,567,928.73	1,513,102.41	$926,222.45	30,494,600.17	1,047,057.65
Railroad retirement account			34,700,000.00			214,801,000.00	140,850,000.00
Railroad unemployment insurance administration fund transfers to unemployment trust fund (act Oct. 10, 1940)						5,973,300.00	3,909,667.00
Subtotal	1,654,233.04	1,207,825.59	37,967,928.73	1,113,102.41	926,222.45	435,065,022.17	380,899,986.65
Total expenditures, excluding public debt retirements	6,118,627,151.19	7,353,694,561.89	7,466,431,346.93	7,434,552,162.31	8,326,715,991.75	78,178,885,249.87	32,396,585,097.69
V. Public debt retirements:							
Estate taxes, forfeitures, gifts, etc.			1,000.00	[a] *450.00*		3,550.00	987,900.00
Retirements from excess capital of Commodity Credit Corporation							18,392,800.00
Sinking fund	64,750.00	9,300.00				3,459,850.00	75,341,600.00
Subtotal	64,750.00	9,300.00	1,000.00	[a] *450.00*		3,463,400.00	94,722,300.00
Total expenditures, including public debt retirements	6,118,691,901.19	7,353,703,861.89	7,466,432,346.93	7,434,551,712.31	8,326,715,991.75	78,182,348,640.87	32,491,307,397.69

[a] Excess of credits (deduct).

[18] Effective September 1941 the receipts, transfers from the General Fund, and expenditures in connection with the sale and redemption of commodity stamps issued by the Agricultural Marketing Administration are shown on a gross basis. Adjustments have been made in figures for periods prior to September 1941 for comparative purposes.

[19] Represents partial return of funds transferred to "Trust accounts, increment on gold, etc.—Receipts: Agricultural Marketing Administration: Transfers from General Fund."

[20] Effective July 1, 1942, Federal contributions to the District of Columbia (U. S. share), previously classified under "General," are shown under "Transfers to trust accounts etc.," and receipts and disbursements therefor are shown gross under "Trust accounts, increment on gold, etc." Figures for fiscal year 1942 revised to provide uniform classification."

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TABLE 4.—*Classification of monthly expenditures, fiscal year 1943*—Continued

DETAIL OF EXPENDITURES—Continued

PART B. TRUST ACCOUNTS, INCREMENT ON GOLD, ETC.

Classification	Fiscal year 1943						
	July 1942	August 1942	September 1942	October 1942	November 1942	December 1942	January 1943
I. Trust accounts:							
Federal old-age and survivors insurance trust fund:							
Benefit payments	$10,989,487.98	$11,023,647.94	$11,758,332.87	$11,924,086.32	$11,881,778.83	$12,011,879.89	$12,385,511.65
Investments	[b] *10,000,000.00*	5,160,903.25	218,300,000.00	[b] *12,000,000.00*	[b] *10,000,000.00*	262,339,096.75	[b] *10,000,000.00*
Agricultural Marketing Administration:							
Redemption of commodity stamps [21]	22,047,942.67	22,133,808.58	19,142,848.00	19,417,804.85	15,070,505.15	15,909,036.15	16,919,582.25
Railroad retirement account:							
Benefit payments	10,820,027.27	10,721,213.37	10,717,836.06	10,804,679.48	10,702,853.78	10,763,292.56	10,815,544.22
Investments	103,500,000.00	[b] *11,000,000.00*	[b] *11,000,000.00*	23,000,000.00	[b] *11,000,000.00*	[b] *11,000,000.00*	23,000,000.00
Unemployment trust fund:							
Investments	23,000,000.00	190,159,195.75	7,000,000.00	38,000,000.00	191,000,000.00	99,000,000.00	29,840,804.25
Railroad unemployment insurance account	187,036.78	185,296.13	206,934.63	197,253.23	157,576.00	141,032.67	189,738.99
Withdrawals by States	31,050,000.00	29,797,500.00	22,519,000.00	15,466,000.00	11,547,500.00	10,300,000.00	11,529,500.00
Other trust accounts:							
Adjusted service certificate fund:							
Investments	[b] *150,000.00*	[b] *100,000.00*	[b] *80,000.00*	[b] *90,000.00*	[b] *95,000.00*	[b] *100,000.00*	680,000.00
Other	115,951.35	96,380.19	76,644.00	76,017.43	66,519.81	56,472.08	74,441.83
Alaska Railroad retirement fund:							
Annuities and refunds	12,589.05	10,773.39	9,755.15	11,735.51	13,074.70	13,262.40	13,473.05
Investments	175,000.00			12,000.00	[b] *13,000.00*	[b] *10,000.00*	
Canal Zone retirement fund:							
Annuities and refunds	111,365.54	89,657.12	91,824.52	116,821.16	131,166.94	107,000.16	107,749.62
Investments	1,175,000.00	[b] *13,000.00*	[b] *11,000.00*	[b] *35,000.00*	[b] *30,000.00*	[b] *23,000.00*	[b] *15,000.00*
Civil service retirement fund:							
Annuities and refunds	6,566,455.68	6,775,651.31	6,693,375.36	6,829,069.64	6,740,928.89	6,796,052.38	6,885,930.02
Investments	106,100,000.00	5,030,000.00	10,832,000.00	9,848,000.00	11,036,000.00	9,040,000.00	19,020,000.00
District of Columbia	5,490,377.36	6,073,704.36	4,056,601.33	4,479,128.68	4,499,411.03	5,806,485.29	4,282,909.10
Foreign service retirement fund:							
Annuities and refunds	41,872.10	47,178.23	35,318.40	34,765.03	38,094.68	38,373.76	35,602.81
Investments	790,000.00	[b] *33,000.00*	[b] *27,000.00*	[b] *36,000.00*	[b] *32,000.00*	[b] *37,000.00*	[b] *35,000.00*
Government life insurance fund:							
Benefits, refunds, etc	2,747,851.71	2,244,100.35	2,458,105.89	2,879,618.81	1,991,324.45	2,513,078.89	2,405,784.06
Investments	4,775,000.00	1,660,903.25	5,098,459.13	2,400,000.00	1,300,000.00	2,941,612.75	3,900,000.00
Indian tribal funds	408,059.99	321,977.66	435,583.77	632,682.42	473,730.60	319,118.11	469,882.10

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Classification	Fiscal year 1943					Total fiscal year 1943	Total fiscal year 1942
	February 1943	March 1943	April 1943	May 1943	June 1943		
I. Trust accounts:							
Federal old-age and survivors insurance trust fund:							
Benefit payments	$12,547,641.94	$13,604,794.56	$13,546,951.79	$13,721,257.18	$13,908,606.76	$149,303,977.71	$110,280,702.20
Investments	[b] *13,000,000.00*	260,600,000.00	[b] *13,000,000.00*		356,800,000.00	1,035,200,000.00	821,034,250.00
Agricultural Marketing Administration:							
Redemption of commodity stamps [21]	12,823,634.40	11,936,826.10	4,265,863.81	1,314,174.67	428,943.87	161,410,970.50	336,759,089.20
Railroad retirement account:							
Benefit payments	10,836,628.93	11,088,948.93	11,073,296.48	11,044,709.28	11,075,770.29	130,464,800.65	126,243,910.67
Investments	[b] *10,000,000.00*	[b] *11,000,000.00*	24,000,000.00	[b] *11,000,000.00*	[b] *11,000,000.00*	86,500,000.00	17,500,000.00
Unemployment trust fund:							
Investments	253,000,000.00	22,000,000.00	24,020,604.00	269,000,000.00	81,979,396.00	1,228,000,000.00	866,000,000.00
Railroad unemployment insurance account	172,728.55	159,739.44	117,961.07	71,331.83	47,030.41	1,833,659.73	9,071,828.92
Withdrawals by States	11,243,000.00	10,955,000.00	7,779,500.00	5,758,500.00	6,388,000.00	174,333,500.00	368,070,499.28
Other trust accounts:							
Adjusted service certificate fund:							
Investments		[b] *38,000.00*	[b] *97,000.00*	[b] *97,000.00*		[b] *167,000.00*	[b] *865,000.00*
Other	74,892.21	88,972.20	60,364.08	77,184.99	103,591.72	967,431.89	1,625,180.52
Alaska Railroad retirement fund:							
Annuities and refunds	6,869.46	9,644.79	11,447.51	12,650.20	16,329.65	141,604.86	107,801.96
Investments	31,000.00		6,000.00	[b] *1,000.00*	52,000.00	252,000.00	295,000.00
Canal Zone retirement fund:							
Annuities and refunds	111,237.69	109,886.72	120,252.30	114,706.63	120,044.02	1,331,712.42	1,205,867.52
Investments	[b] *15,000.00*	[b] *19,000.00*	11,000.00	[b] *16,000.00*	276,000.00	1,282,000.00	1,290,000.00
Civil service retirement fund:							
Annuities and refunds	6,841,637.31	7,185,653.50	7,397,095.28	7,160,040.38	7,451,931.76	83,323,821.51	76,197,957.98
Investments	9,654,000.00	12,634,000.00	20,612,000.00	12,406,000.00	51,459,000.00	277,671,000.00	137,365,000.00
District of Columbia	4,793,841.87	4,801,427.66	6,246,181.99	4,913,285.88	4,836,753.90	60,280,108.45	[22] 57,667,670.13
Foreign service retirement fund:							
Annuities and refunds	37,538.82	46,477.80	43,162.08	41,354.75	40,819.88	480,558.34	422,472.77
Investments	[b] *30,000.00*	[b] *35,000.00*	[b] *36,000.00*	[b] *34,000.00*	218,000.00	673,000.00	729,000.00
Government life insurance fund:							
Benefits, refunds, etc	1,619,439.50	2,757,025.86	3,080,018.22	2,656,834.34	2,706,900.85	30,060,082.93	44,987,523.06
Investments	2,800,000.00	5,700,000.00	2,975,755.48	2,000,000.00	25,196,728.52	60,748,459.13	47,166,914.15
Indian tribal funds	329,279.53	447,919.37	[a] *114,565.58*	629,737.22	1,060,983.26	5,414,388.45	6,236,438.63

[a] Excess of credits (deduct).
[b] Excess of redemptions (deduct).
[21] See footnote 18.
[22] See footnote 20.

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TABLE 4.—*Classification of monthly expenditures, fiscal year 1943*—Continued

DETAIL OF EXPENDITURES—Continued

PART B. TRUST ACCOUNTS, INCREMENT ON GOLD, ETC.—Continued

Classification	Fiscal year 1943						
	July 1942	August 1942	September 1942	October 1942	November 1942	December 1942	January 1943
I. Trust accounts—Continued.							
Other trust accounts—Continued.							
National service life insurance fund:							
Benefits, refunds, etc	*(a) $1,204,142.10*	*(a) $7,266,733.94*	*(a) $6,935,379.37*	$2,655,197.23	$325,699.62	$391,962.87	$422,877.55
Investments	10,985,000.00	17,100,000.00	21,200,000.00	14,175,000.00	20,200,000.00	25,200,000.00	23,650,000.00
Other [21]	5,934,809.77	3,946,746.75	3,221,337.27	*(a) 1,887,987.98*	1,621,661.51	*(a) 6,437,829.84*	12,560,008.67
Unclassified	1,092,873.70	*(a) 4,229,301.87*	2,684,712.62	*(a) 266,775.09*	*(a) 393,696.30*	976,906.09	*(a) 446,442.42*
Other funds and accounts:							
Public Works Administration revolving fund (act of June 21, 1938)	----------	*(a) 19,750.01*	11,000.00	----------	----------	*(a) 500.96*	500.96
Special deposits (net):							
District of Columbia	*(a) 47,246.50*	44,105.72	4,016.21	*(a) 90,601.15*	92,759.95	*(a) 1,817.01*	*(a) 123,902.23*
Indian tribal funds	*(a) 1,818,655.47*	2,361,007.18	*(a) 722,470.73*	*(a) 156,945.36*	*(a) 1,176,031.87*	21,249.18	627,085.54
Other	*(a) 7,363,495.64*	*(a) 13,974,202.89*	*(a) 10,323,270.69*	*(a) 14,290,748.94*	*(a) 16,212,972.55*	*(a) 26,876,356.71*	*(a) 35,511,179.63*
Unclassified	64,338.59	*(a) 61,429.67*	121.38	120,327.22	*(a) 123,366.52*	*(a) 65,364.12*	*(a) 911,655.88*
Subtotal [21]	327,597,499.83	278,256,332.15	331,325,444.54	134,226,128.49	249,814,518.70	420,135,043.34	132,773,746.51
II. Increment on gold, transactions in checking accounts, etc.:							
Charges against increment on gold, melting losses, etc	----------	----------	----------	1,512.56	----------	----------	----------
Transactions in checking accounts of Government agencies, etc. (net):							
Sales and redemptions of obligations in market (net):							
Guaranteed by the United States:							
Commodity Credit Corporation	*(a) $7,000,000.00*	*(a) 15,500,300.00*	15,402,094.73	*(a) 9,808,082.35*	15,000.00	*(a) 14,980,000.00*	3,385,000.00
Federal Farm Mortgage Corporation	2,123,900.00	3,448,000.00	1,653,600.00	1,286,600.00	774,900.00	584,400.00	598,400.00
Federal Housing Administration	1,312,900.00	118,800.00	23,019.05	10,150.00	12,250.00	8,650.00	719,600.00
Federal Public Housing Authority	----------	----------	5,000.00	----------	----------	----------	----------
Home Owners' Loan Corporation	17,227,225.00	1,736,625.00	934,950.00	665,175.00	412,475.00	389,450.00	2,826,350.00
Reconstruction Finance Corporation	3,321,000.00	146,000.00	80,000.00	318,400,000.00	534,000.00	972,000.00	42,000.00

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Classification	Fiscal year 1943					Total fiscal year 1943	Total fiscal year 1942
	February 1943	March 1943	April 1943	May 1943	June 1943		
I. Trust accounts—Continued.							
Other trust accounts—Continued.							
National service life insurance fund:							
Benefits, refunds, etc.	$406,945.94	$591,901.81	$738,716.95	$918,577.89	$1,091,387.26	$6,007,770.45	$863,751.77
Investments	28,000,000.00	34,650,000.00	34,900,000.00	42,350,000.00	41,700,000.00	314,110,000.00	34,815,000.00
Other [21]	3,320,265.60	2,290,976.00	9,401,207.26	[a] *6,387,433.64*	4,255,374.66	31,839,136.03	50,627,574.36
Unclassified	[a] *72,838.53*	60,915.38	[a] *70,298.23*	72,617.16	[a] *79,905.06*	[a] *671,232.55*	655,268.09
Other funds and accounts:							
Public Works Administration revolving fund (act of June 21, 1938)				500,013.89	16,225.00	477,488.88	7,376,780.31
Special deposits (net):							
District of Columbia	85,158.67	[a] *90,778.00*	[a] *244,354.59*	261,057.02	[a] *64,357.78*	[a] *175,959.69*	[a] *37,838.35*
Indian tribal funds	[a] *1,283,287.00*	[a] *3,453,362.57*	1,987,451.28	2,421,748.51	[a] *349,392.72*	[a] *1,541,604.03*	[a] *544,799.08*
Other	[a] *33,563,166.70*	[a] *19,389,271.30*	[a] *20,878,125.90*	[a] *56,133,176.05*	8,475,799.02	[a] *246,039,165.98*	[a] *51,484,936.28*
Unclassified	1,034,236.37	[a] *57,151.37*	[a] *6,525.11*	18,597.56	25,197.45	37,325.90	9.00
Subtotal [21]	301,802,684.56	367,637,546.88	137,947,962.17	303,795,769.69	608,237,158.72	3,593,549,835.58	3,071,662,916.81
II. Increment on gold, transactions in checking accounts, etc.:							
Charges against increment on gold, melting losses, etc.						1,512.56	1,878.73
Transactions in checking accounts of Government agencies, etc. (net):							
Sales and redemptions of obligations in market (net):							
Guaranteed by the United States:							
Commodity Credit Corporation	[a] *1,100,000.00*	744,947.69	465,250.38	289,177,000.00	1,106,579.32	231,907,489.77	[a] *4,844,000.00*
Federal Farm Mortgage Corporation	503,700.00	324,600.00	358,700.00	189,600.00	171,500.00	12,017,900.00	325,788,600.00
Federal Housing Administration	75,750.00	20,400.00	13,750.00			2,315,269.05	3,221,150.00
Federal Public Housing Authority						5,000.00	112,094,000.00
Home Owners' Loan Corporation	1,652,425.00	967,025.00	1,147,625.00	459,650.00	367,850.00	[23] 28,786,825.00	[23] 851,254,700.00
Reconstruction Finance Corporation	4,000.00	103,000.00	2,000.00	2,000.00	5,000.00	323,611,000.00	[24] 521,797,000.00

[a] Excess of credits (deduct).
[b] Excess redemptions (deduct).
[21] See footnote 18.
[23] Includes 2¼% Home Owners' Loan Corporation bonds, Series G-1942-44, exchanged for 1½% Treasury notes, Series B-1946, amounting to $846,081,400 in the fiscal year 1942 and $33,000 in the fiscal year 1943.
[24] Includes $272,272,000 of 1% Reconstruction Finance Corporation notes, Series S, exchanged for 1½% Treasury notes, Series B-1946.

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TABLE 4.—*Classification of monthly expenditures, fiscal year 1943*—Continued

DETAIL OF EXPENDITURES—Continued

PART B. TRUST ACCOUNTS, INCREMENT ON GOLD, ETC.—Continued

Classification	Fiscal year 1943						
	July 1942	August 1942	September 1942	October 1942	November 1942	December 1942	January 1943
II. Increment on gold, transactions in checking accounts, etc.—Continued.							
Transactions in checking accounts of Government agencies; etc. (net)—Continued.							
Sales and redemptions of obligations in market (net)—Continued.							
Not guaranteed by the United States:							
Electric Home and Farm Authority	$715,000.00	$700,000.00	$822,500.00	$790,000.00	$1,795,000.00	$1,690,000.00	$1,220,000.00
Federal home loan banks			3,980,000.00	20,000.00		18,000,000.00	
Federal land banks							
Federal National Mortgage Association							
Federal Savings and Loan Insurance Corporation		11,880.00					
Home Owners' Loan Corporation	2,350.00	3,150.00	450.00	2,375.00	200.00	225.00	1,350.00
Other transactions (net):							
Commodity Credit Corporation	22,759,400.20	90,380,381.98	47,707,212.38	114,441,910.13	*a 304,155,482.11*	182,682,693.30	115,235,436.03
Export-Import Bank of Washington	*a 806,669.13*	260,931.42	979,752.90	*a 141,159.02*	57,008.48	*a 495,008.41*	519,247.53
Federal Housing Administration	*a 2,410,668.21*	2,748,108.71	*a 1,394,452.02*	*a 1,387,574.23*	*a 1,302,469.90*	3,199,084.54	*a 1,036,166.78*
Federal Public Housing Authority	17,628,719.46	*a 21,984,158.74*	21,415,219.40	*a 6,051,117.99*	*a 971,688.77*	*a 8,895,079.69*	3,381,896.03
Home Owners' Loan Corporation	*a 34,897,332.56*	*a 37,906,770.35*	*a 26,810,153.85*	*a 26,958,526.40*	*a 4,915,535.67*	*a 33,804,145.26*	*a 37,177,269.83*
Reconstruction Finance Corporation: [25]							
War activities [26]				58,096,863.76	289,309,903.96	345,233,358.99	337,821,539.77
Other	117,890,384.38	236,908,424.28	42,829,421.69	165,948,396.74	*a 261,859,392.09*	*a 16,702,037.97*	5,083,094.24
Rural Electrification Administration	1,307,497.73	*a 710,804.40*	289,575.49	*a 670,106.28*	*a 324,919.09*	*a 1,172,516.33*	1,147,307.22
Other [27]	*a 30,701,943.95*	631,484.22	*a 83,064,338.75*	*a 31,740,641.66*	*a 168,624,070.38*	71,401,868.80	*a 247,747,043.30*
Subtotal	78,471,762.92	261,591,752.12	24,853,861.02	582,905,775.26	*a 449,242,820.57*	548,112,942.97	186,020,740.91
Total expenditures	406,069,262.75	539,848,084.27	356,179,305.56	717,131,903.75	*a 199,428,301.87*	968,247,986.31	318,794,487.42

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Classification	Fiscal year 1943					Total fiscal year 1943	Total fiscal year 1942
	February 1943	March 1943	April 1943	May 1943	June 1943		
II. Increment on gold, transactions in checking accounts, etc.—Continued.							
Transactions in checking accounts of Governments agencies, etc. (net)—Continued.							
Sales and redemptions of obligations in market (net)—Continued.							
Not guaranteed by the United States:							
Electric Home and Farm Authority		$650,000.00	$450,000.00			$8,832,500.00	$5,441,250.00
Federal home loan banks	$24,000,000.00	8,500,000.00	1,921,000.00	$59,000.00	$10,000.00	56,490,000.00	[a] *15,671,000.00*
Federal land banks							10,295,000.00
Federal National Mortgage Association				29,748,000.00		29,748,000.00	
Federal Savings and Loan Insurance Corporation						11,880.00	
Home Owners' Loan Corporation	1,250.00	4,625.00	1,850.00	1,825.00	1,150.00	20,800.00	36,350.00
Other transactions (net):							
Commodity Credit Corporation	124,038,247.59	124,448,657.78	[a] *354,806,821.60*	[a] *179,474,482.07*	[a] *176,067,576.05*	[a] *192,810,422.44*	241,678,660.78
Export-Import Bank of Washington	[a] *4,823.21*	[a] *81,892.50*	[a] *134,104.73*	[a] *244,076.25*	363,074.88	272,281.96	[a] *283,415.34*
Federal Housing Administration	[a] *1,805,129.11*	[a] *5,482,744.89*	6,421,536.39	[a] *1,713,483.57*	[a] *1,979,820.82*	[a] *6,143,779.89*	[a] *4,658,226.48*
Federal Public Housing Authority	2,873,388.94	12,094,247.27	[a] *25,380,897.49*	21,358,107.38	[a] *18,180,774.29*	[a] *2,112,138.49*	45,866,485.57
Home Owners' Loan Corporation	[a] *48,955,740.57*	[a] *31,748,392.30*	[a] *30,984,976.82*	[a] *22,594,372.38*	[a] *26,693,600.34*	[a] *368,446,816.38*	[a] *255,761,020.63*
Reconstruction Finance Corporation [25]							
War activities [26]	214,183,886.15	350,028,982.19	269,763,636.58	271,623,255.42	306,186,704.15	2,442,248,130.97	
Other	[a] *13,674,740.37*	[a] *55,444,390.40*	[a] *26,517,124.86*	[a] *39,533,693.17*	[a] *135,272,717.59*	19,655,624.88	1,935,972,984.33
Rural Electrification Administration	837,557.32	[a] *78,596.64*	276,214.67	[a] *365,083.93*	116,407.06	652,532.82	854,076.05
Other [27]	67,333,310.45	[a] *105,211,197.19*	174,142,141.84	[a] *12,897,220.53*	[a] *31,898,971.02*	[a] *398,376,611.47*	[a] 148,358,339.93
Subtotal	369,963,082.19	299,839,271.01	17,139,779.36	355,796,025.90	[a] *81,765,194.70*	2,193,686,978.39	3,624,726,133.08
Total expenditures	671,765,766.75	667,476,817.89	155,087,741.53	659,591,795.59	526,471,964.02	5,787,236,813.97	6,696,389,049.89

[a] Excess of credits (deduct).

[25] Includes transactions on account of RFC Mortgage Company, Disaster Loan Corporation, Federal National Mortgage Association, Metals Reserve Company, Rubber Reserve Company, Defense Plant Corporation, Defense Supplies Corporation, U. S. Commercial Company, and War Damage Corporation.

[26] Comparative figures for prior periods not available. Expenditures for war activities by the Reconstruction Finance Corporation prior to Oct. 17, 1942, were included under "Other" expenditures.

[27] See footnote 18.

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TABLE 5.—*Expenditures from general and special accounts, by major functions, fiscal years 1932 through 1943* [1]

[In millions of dollars. On basis of daily Treasury statements, see p. 459]

	1932	1933	1934	1935	1936	1937	1938	1939	1940	1941	1942	1943
War activities: [2]												
(a) War Department	344	302	243	273	383	378	432	490	667	3,678	14,070	42,265
(b) Navy Department	358	350	297	436	529	557	596	673	891	2,313	8,580	20,888
(c) U. S. Maritime Commission	52	29	*a 10*	*a 21*	*a 12*	*a 6*	1	44	99	51	929	2,776
(d) War Shipping Administration											132	1,105
(e) Other										259	2,300	5,075
Total war activities	753	680	531	689	900	929	1,029	1,206	1,657	6,301	26,011	72,109
Veterans' pensions and benefits:												
(a) Adjusted service certificate fund	200	100	50	50	1,773	557				10		
(b) Other	785	763	507	557	578	581	582	557	557	553	556	602
Total veterans' pensions and benefits	985	863	557	607	2,351	1,137	582	557	557	563	556	602
Social security and railroad retirement programs					29	184	482	454	513	588	659	735
Public works [3]	450	442	698	883	730	1,024	804	1,000	949	738	680	543
Aid to agriculture [4]	437	176	775	1,071	933	971	854	1,228	1,559	937	1,225	1,163
Relief and work relief:												
(a) Direct relief [5]		336	708	1,820	494	*a 1*	4	2	1			
(b) Work relief [6]		14	1,137	447	1,751	2,283	1,799	2,530	1,855	[7] 1,632	[7] 1,133	[7] 317
Total relief and work relief		350	1,845	2,267	2,245	2,282	1,803	2,532	1,856	1,632	1,133	317
Interest on public debt	599	689	757	821	749	866	926	941	1,041	1,111	1,260	1,808
Other [8]	1,310	663	849	672	729	784	760	789	866	840	873	901
Total expenditures, excluding debt retirements	4,535	3,864	6,011	7,010	8,666	8,177	7,239	8,707	8,998	12,711	32,397	78,179

NOTE.—Figures are rounded to nearest million and will not necessarily add to totals.

[a] Excess of credits (deduct).

[1] Excludes debt retirements.

[2] For details see table 4, p. 488.

[3] Comprises expenditures of Public Roads Administration, forest roads and trails, Public Buildings Administration, Tennessee Valley Authority, reclamation projects, river and harbor work (including flood control), Public Works Administration, and certain expenditures of the Federal Public Housing Authority.

[4] Comprises expenditures of Agricultural Conservation and Adjustment Administration, Agricultural Marketing Administration, Farm Credit Administration, Farm Security Administration, Farm Tenant Act, Rural Electrification Administration, departmental expenditures of the Department of Agriculture, and certain payments to the Federal Farm Mortgage Corporation, Federal land banks, and the Commodity Credit Corporation.

[5] Comprises expenditures of the Federal Emergency Relief Administration, and Reconstruction Finance Corporation loans and grants to States, municipalities, etc., for direct relief pursuant to act of July 21, 1932, as amended.

[6] Comprises expenditures of the Civil Works Administration, Work Projects Administration, National Youth Administration (see note 7), and Civilian Conservation Corps.

[7] Excludes certain expenditures of the National Youth Administration for the fiscal years 1941 and 1942 shown under "War activities." All expenditures of the National Youth Administration for the fiscal year 1943 are shown under "War activities."

[8] Includes departmental expenditures and transfers to trust accounts not otherwise classified.

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Other receipts and expenditures tables

TABLE 6.—*Comparison of detailed internal revenue collections, fiscal years 1942 and 1943*

[On basis of reports of collections, see p. 460]

Source	1942	1943	Increase or decrease (−)
Income, excess profits, and unjust enrichment taxes:			
Corporation income taxes	[r] $3,069,293,346.07	$4,520,851,709.88	$1,451,578,363.81
Individual income taxes	3,262,800,389.86	5,943,916,978.59	2,681,116,588.73
Victory tax—withholding at source on salaries and wages		686,015,010.47	686,015,010.47
Total income taxes	6,332,073,735.93	11,150,783,698.94	4,818,709,963.01
Excess profits taxes—declared value	51,237,371.60	82,011,996.02	30,774,624.42
Excess profits taxes—Vinson Act	981,717.42	420,488.82	−561,228.60
Excess profits taxes—Revenue Acts of 1940 and 1941, as amended	1,618,188,950.87	5,063,863,613.73	3,445,674,662.86
Unjust enrichment taxes (Title III, Revenue Act of 1936)	4,401,767.86	1,808,294.05	−2,593,473.81
Total income, excess profits, and unjust enrichment taxes	[r] 8,006,883,543.68	16,298,888,091.56	8,292,004,547.88
Capital stock tax	281,900,134.89	328,794,970.85	46,894,835.96
Estate tax	340,322,905.08	414,530,598.81	74,207,693.73
Gift tax	92,217,383.01	32,965,078.68	−59,252,304.33
Liquor taxes:			
Distilled spirits (imported) excise tax	35,765,107.45	83,406,478.87	47,641,371.42
Distilled spirits (domestic) excise tax	538,485,193.68	698,300,277.93	159,815,084.25
Distilled spirits, rectification tax	17,224,716.89	18,836,378.30	1,611,661.41
Still or sparkling wines, cordials, etc. (imported), excise tax	331,797.64	743,363.80	411,566.16
Still or sparkling wines, cordials, etc. (domestic), excise tax	23,653,857.83	32,919,973.19	9,266,115.36
Brandy used for fortifying sweet wines (repealed June 24, 1940)	1,250,287.55	6,142.67	−1,244,144.88
Rectifiers, retail and wholesale liquor dealers, manufacturers of stills (special taxes)	7,577,480.85	7,007,870.57	−569,610.28
Stamps for distilled spirits intended for export	1,235.46	817.50	−417.96
Stamps for distilled spirits bottled in bond	1,109,484.18	1,298,548.12	189,063.94
Container stamps (Liquor Taxing Act of 1934)	11,197,412.68	10,549,098.15	−648,314.53
Floor taxes (levies on tax-paid stocks, inventories of Jan. 12, 1934, July 1, 1938, July 1, 1940, Oct. 1, 1941 and Nov. 1, 1942)	41,910,928.09	111,538,926.27	69,627,998.18
Fermented malt liquors	366,158,960.87	455,634,420.81	89,475,459.94
Brewers, retail and wholesale dealers in fermented malt liquors (special taxes)	3,498,438.37	3,238,095.26	−260,343.11
Total liquor taxes	1,048,164,901.54	1,423,480,391.44	375,315,489.90
Stamp taxes (Title VIII, Revenue Act of 1926, as amended):			
Bonds, issues of capital stock, deeds of conveyance, etc	22,875,490.24	21,765,731.77	−1,109,758.47
Capital stock and similar interests, sales or transfers	13,028,316.93	15,584,590.89	2,556,273.96
Playing cards	5,757,955.50	7,693,909.12	1,935,953.62
Silver bullion sales or transfers	40,402.25	111,053.89	70,651.64
Total stamp taxes	41,702,164.92	45,155,285.67	3,453,120.75
Tobacco taxes:			
Cigars (large):			
Class A	10,697,174.34	4,286,995.54	−6,410,178.80
Class B	142,784.98	2,299,016.86	2,156,231.88
Class C	2,828,568.29	9,484,622.84	6,656,054.55
Class D	449,547.99	752,756.12	303,208.13
Class E	70,116.43	5,112,823.14	5,042,706.71
Class F		1,011,040.87	1,011,040.87
Class G		127,821.86	127,821.86
Total cigars (large)	14,188,192.03	23,075,077.23	8,886,885.20
Cigars (small)	104,051.62	97,317.38	−6,734.24
Cigarettes (large)	15,977.62	29,600.19	13,622.57
Cigarettes (small)	704,933,203.05	835,230,743.35	130,297,540.30
Snuff	7,440,212.25	7,543,283.33	103,071.08
Tobacco, chewing and smoking	52,138,920.05	47,849,119.88	−4,289,800.17

Footnotes at end of table.

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TABLE 6.—*Comparison of detailed internal revenue collections, fiscal years 1942 and 1943*—Continued

Source	1942	1943	Increase or decrease (−)
Tobacco taxes—Continued.			
Cigarette papers and tubes	$1, 960, 557. 77	$1, 472, 325. 92	−$488, 231. 85
Leaf dealer penalties	6, 049. 82	3, 566. 21	−2, 483. 61
Cigarette and cigar floor tax	5, 105. 35	8, 556, 250. 14	8, 551, 144. 79
Total tobacco taxes	780, 792, 269. 56	923, 857, 283. 63	143, 065, 014. 07
Manufacturers' excise taxes:			
Lubricating oils	46, 432, 267. 73	43, 318, 312. 71	−3, 113, 955. 02
Matches	6, 929, 995. 79	9, 372, 261. 29	2, 442, 265. 50
Gasoline	369, 587, 150. 81	288, 785, 826. 00	−80, 801, 324. 81
Electrical energy	49, 977, 581. 17	48, 705, 138. 94	−1, 272, 442. 23
Tires and inner tubes	64, 811, 000. 24	18, 345, 386. 92	−46, 465, 613. 32
Rubber articles (repealed)	21, 545, 389. 16	14, 885, 162. 88	−6, 660, 226. 28
Phonograph records	968, 390. 47	1, 816, 525. 67	848, 135. 20
Musical instruments	2, 325, 320. 99	1, 280, 124. 32	−1, 045, 196. 67
Luggage	2, 833, 995. 54	5, 681, 525. 65	2, 847, 530. 11
Electric, gas, and oil appliances	17, 701, 606. 69	6, 912, 969. 83	−10, 788, 636. 86
Electric signs (repealed)	778, 790. 62	613, 973. 01	−164, 817. 61
Business and store machines	6, 971, 675. 81	6, 461, 448. 00	−510, 227. 81
Washing machines (repealed)	165, 558. 16	37, 223. 54	−128, 334. 62
Optical equipment (repealed)	458, 979. 90	292, 887. 55	−166, 092. 35
Photographic apparatus (repealed)	6, 017, 447. 83	11, 164, 427. 06	5, 146, 979. 23
Electric light bulbs and tubes	3, 101, 846. 59	3, 657, 242. 89	555, 396. 30
Automobile trucks	18, 361, 144. 43	4, 229, 689. 98	−14, 131, 454. 45
Other automobiles and motorcycles	77, 171, 920. 04	1, 424, 230. 26	−75, 747, 689. 78
Parts and accessories for automobiles	28, 087, 714. 42	20, 478, 407. 66	−7, 609, 306. 76
Radio sets, phonographs, components, etc	19, 144, 408. 18	5, 560, 589. 48	−13, 583, 818. 70
Refrigerators, air-conditioners, etc	16, 245, 869. 54	5, 965, 909. 34	−10, 279, 960. 20
Sporting goods	3, 487, 269. 21	4, 067, 598. 02	580, 328. 81
Firearms, shells and cartridges	5, 072, 587. 60	1, 149, 332. 58	−3, 923, 255. 02
Pistols and revolvers	84, 494. 05	61, 513. 26	−22, 980. 79
Toilet preparations (perfumes, cosmetics, etc.) (repealed Oct. 1, 1941)	3, 551, 037. 44	425, 050. 86	−3, 125, 986. 58
Toilet preparations (dentifrices, toilet soaps, etc.) (repealed July 1, 1938)	944. 40	12, 619. 51	11, 675. 11
Repealed manufacturers' excise taxes	87, 871. 70	43, 726. 09	−44, 145. 61
Total manufacturers' excise taxes	771, 902, 258. 51	504, 749, 103. 30	−267, 153, 155. 21
Miscellaneous taxes:			
Bituminous Coal Act of 1937	5, 478, 908. 89	5, 626, 478. 51	147, 569. 62
Sugar Act of 1937	68, 229, 803. 06	53, 551, 776. 72	−14, 678, 026. 34
Telegraph, telephone, cable, and radio facilities	48, 231, 338. 63	91, 174, 496. 27	42, 943, 157. 64
Local telephone service	26, 791, 432. 95	66, 986, 794. 12	40, 195, 361. 17
Use of motor vehicles	72, 625, 488. 49	146, 289, 284. 48	73, 663, 795. 99
Use of boats	228, 387. 41	377, 917. 04	149, 529. 63
Bowling alleys, pool tables, etc	1, 698, 394. 37	1, 852, 664. 62	154, 270. 25
Coin-operated devices	6, 484, 999. 54	10, 487, 104. 00	4, 002, 104. 46
Transportation of persons	21, 378, 895. 32	87, 131, 734. 00	65, 752, 838. 68
Transportation of property (effective Dec. 1, 1942)		82, 556, 148. 08	82, 556, 148. 08
Transportation of oil by pipe line	13, 474, 822. 61	13, 672, 086. 80	197, 264. 19
Leases of safe deposit boxes	3, 662, 535. 73	6, 070, 096. 08	2, 407, 560. 35
Admissions to theaters, concerts, cabarets, etc	115, 032, 268. 75	154, 450, 722. 80	39, 418, 454. 05
Club dues and initiation fees	6, 791, 899. 71	6, 519, 891. 02	−272, 008. 69
Adulterated butter, including special taxes	7, 499. 32	40, 535. 50	33, 036. 18
Renovated butter, including special taxes	9, 366. 56	8, 725. 75	−640. 81
Filled cheese	5, 552. 77	5, 267. 58	−285. 19
Mixed flour (repealed)	9, 168. 00	4, 278. 00	−4, 890. 00
Oleomargarine:			
Colored	87, 106. 73	237, 569. 47	150, 462. 74
Uncolored	888, 755. 49	1, 088, 155. 57	199, 400. 08
Special taxes	1, 268, 389. 84	1, 294, 918. 76	26, 528. 92
Marihuana Tax Act of 1937	63, 995. 62	69, 502. 63	5, 507. 01
Narcotics (opium, coca leaves, and special taxes)	681, 047. 12	718, 591. 51	37, 544. 39
Coconut, etc. oils processed	7, 160, 701. 07	1, 939, 099. 03	−5, 221, 602. 04
Crude petroleum processed (repealed July 1, 1938)	473. 30	42. 65	−430. 65
National Firearms Act	19, 502. 45	20, 190. 79	688. 34
Receipts from miscellaneous sources, etc	190, 014. 67	158, 287. 68	−31, 726. 99
Total m cellaneous taxes	400, 500, 748. 40	732, 332, 359. 46	331, 831, 611. 06
Retailers' excise taxes:			
Jewelry	41, 500, 948. 74	88, 365, 799. 04	46, 864, 850. 30
Furs	19, 743, 864. 96	44, 222, 755. 27	24, 478, 890. 31
Toilet preparations	18, 922, 310. 76	32, 677, 315. 04	13, 755, 004. 28
Total retailers' excise taxes	80, 167, 124. 46	165, 265, 869. 35	85, 098, 744. 89

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TABLE 6.—*Comparison of detailed internal revenue collections, fiscal years 1942 and 1943*—Continued

Source	1942	1943	Increase or decrease (−)
Employment taxes:			
Federal Insurance Contributions Act	$895,335,861.32	$1,131,546,128.69	$236,210,267.37
Federal Unemployment Tax Act (employment of 8 or more)	119,616,967.91	156,007,662.17	36,390,694.26
Carriers taxes (old-age benefits)	170,409,014.46	211,151,242.73	40,742,228.27
Total employment taxes	1,185,361,843.69	1,498,705,033.59	313,343,189.90
Grand total, all collections	r 13,029,915,277.74	22,368,724,066.34	9,338,808,788.60
Adjustment for items in transit	r −36,797,390.22	−224,755,067.06	−187,957,676.84
Receipts per daily Treasury statement	12,993,117,887.52	22,143,968,999.28	9,150,851,111.76

COLLECTIONS FOR CREDIT TO TRUST ACCOUNTS (EXCLUDED IN THE TABLE ABOVE)

	1942	1943	Increase or decrease (−)
Distilled spirits (domestic)	$347,765.15	$166,064.82	−$181,700.33
Distilled spirits rectification tax	1,751.01	.18	−1,750.83
Wines (domestic)	1.88		−1.88
Fermented malt liquors	2,276.18		−2,276.18
Cigars (large)	189,636.10		−189,636.10
Cigarettes (large)	3.82		−3.82
Cigarettes (small)	301.56		−301.56
Manufactured tobacco	4.68		−4.68
Coconut oil	17,411,486.72	2,496,365.21	−14,915,121.51
Playing cards	2.08		−2.08
Brandy	10.80		−10.80
Sugar			
Total trust fund collections	r 17,953,239.98	2,662,430.21	−15,290,809.77

r Revised; income tax of Alaska Railways was erroneously shown in the 1942 report as a trust fund receipt and should have been shown as a general receipt. See footnote 3, p. 507.

TABLE 7.—*Internal revenue collections, by tax sources, fiscal years 1916 through 1943*[1]

[On basis of reports of collections, see p. 460]

Year	Income, excess profits,[2] and unjust enrichment taxes			
	Corporation income taxes			
	Normal and surtaxes[3]	Excess profits tax	Unjust enrichment tax	Total[3]
1916	$56,993,658			$56,993,658
1917	4 207,236,828	$37,176		207,274,004
1918				
1919				
1920				
1921				
1922				
1923				
1924				
1925	916,232,697			916,232,697
1926	1,094,979,734			1,094,979,734
1927	1,308,012,533			1,308,012,533
1928	1,291,845,989			1,291,845,989
1929	1,235,733,256			1,235,733,256
1930	1,263,414,466			1,263,414,466
1931	1,026,392,699			1,026,392,699
1932	629,566,115			629,566,115
1933	394,217,784			394,217,784
1934	397,515,852	2,630,615		400,146,467
1935	572,115,002	6,560,483		578,675,485
1936	738,520,530	14,509,290		753,029,820
1937	1,056,909,063	25,104,608	$6,073,351	1,088,087,022
1938	1,299,932,072	36,569,042	6,216,736	1,342,717,850
1939	1,122,540,801	27,056,373	6,683,335	1,156,280,509
1940	1,120,581,551	18,474,202	8,536,178	1,147,591,931
1941	1,851,987,990	192,385,252	9,095,562	2,053,468,804
1942	3,069,273,346	1,670,408,040	4,401,768	4,744,083,154
1943	4,520,851,710	5,146,296,099	1,808,294	9,668,956,103

Footnotes at end of table.

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TABLE 7.—*Internal revenue collections, by tax sources, fiscal years 1916 through 1943* [1]—Continued

Year	Income, excess profits,[2] and unjust enrichment taxes—Continued			
	Individual income taxes			Total income, excess profits, and unjust enrichment taxes [3]
	Withholdings on salaries and wages	Other	Total	
1916		$67,943,595	$67,943,595	$124,937,253
1917		180,108,340	180,108,340	387,382,344
1918				2,852,324,866
1919				2,600,783,903
1920				3,956,936,004
1921				3,228,137,674
1922				2,086,918,465
1923				1,691,089,535
1924				1,841,759,317
1925		845,426,352	845,426,352	1,761,659,049
1926		879,124,407	879,124,407	1,974,104,141
1927		911,939,911	911,939,911	2,219,952,444
1928		882,727,114	882,727,114	2,174,573,103
1929		1,095,541,172	1,095,541,172	2,331,274,428
1930		1,146,844,764	1,146,844,764	2,410,259,230
1931		833,647,798	833,647,798	1,860,040,497
1932		427,190,582	427,190,582	1,056,756,697
1933		352,573,620	352,573,620	746,791,404
1934		419,509,488	419,509,488	819,655,955
1935		527,112,506	527,112,506	1,105,787,991
1936		674,416,074	674,416,074	1,427,445,894
1937		1,091,740,746	1,091,740,746	2,179,827,768
1938		1,286,311,882	1,286,311,882	2,629,029,732
1939		1,028,833,796	1,028,833,796	2,185,114,305
1940		982,017,376	982,017,376	2,129,609,307
1941		1,417,655,127	1,417,655,127	3,471,123,930
1942		3,262,800,390	3,262,800,390	8,006,883,544
1943	$686,015,010	5,943,916,979	6,629,931,989	16,298,888,092

Year	Capital stock	Estate	Gift	Liquor taxes		
				Distilled spirits and wines, including special taxes	Fermented malt liquors, including special taxes	Total liquor taxes
1916				$158,682,440	$88,771,104	$247,453,544
1917	$10,471,689	$6,076,575		192,111,319	91,897,194	284,008,513
1918	24,996,205	47,452,880		317,553,687	126,285,858	443,839,545
1919	28,775,750	82,029,983		365,211,252	117,839,602	483,050,854
1920	93,020,421	103,635,563		97,905,276	41,965,874	139,871,150
1921	81,525,653	154,043,260		82,598,065	25,364	82,623,429
1922	80,612,240	139,418,846		45,563,350	46,086	45,609,436
1923	81,567,739	126,705,207		30,354,007	4,079	30,358,086
1924	87,471,692	102,966,762		27,580,381	5,328	27,585,709
1925	90,002,595	101,421,767	$7,518,129	25,902,820	1,954	25,904,774
1926	97,385,756	116,041,036	3,175,339	26,436,334	15,694	26,452,028
1927	8,970,231	100,339,852		21,194,669	883	21,195,552
1928	8,688,502	60,087,234		15,307,496	300	15,307,796
1929	5,956,296	61,897,141		12,776,628	100	12,776,728
1930	46,967	64,769,625		11,695,267		11,695,267
1931		48,078,327		10,432,064		10,432,064
1932		47,422,313		8,703,963		8,703,963
1933		29,693,062	4,616,662	8,016,045	35,158,272	43,174,317
1934	80,168,344	103,985,288	9,153,076	89,951,748	168,959,585	258,911,333
1935	91,508,121	140,440,682	71,671,277	195,363,693	215,561,848	410,925,541
1936	94,942,752	218,780,754	160,058,761	256,117,118	249,125,679	505,242,797
1937	137,499,246	281,635,983	23,911,783	312,247,468	281,583,886	593,831,354
1938	139,348,567	382,175,326	34,698,739	294,477,894	273,191,515	567,669,409
1939	127,203,009	332,279,613	28,435,597	324,271,723	263,333,223	587,604,946
1940	132,738,537	330,886,049	29,185,118	356,292,909	267,771,426	624,064,335
1941	166,652,640	355,194,033	51,863,714	499,177,429	320,691,547	819,868,976
1942	281,900,135	340,322,905	92,217,383	678,507,502	369,657,400	1,048,164,902
1943	328,794,971	414,530,599	32,965,079	964,607,875	458,872,516	1,423,480,391

Footnotes at end of table.

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TABLE 7.—*Internal revenue collections, by tax sources, fiscal years 1916 through 1943* [1]—Continued

Year	Stamp taxes					
	Bonds, issues of capital stock, deeds of conveyance, etc.[5]	Capital stock and similar interests, sales or transfers	Sales of produce for future delivery	Playing cards	Silver bullion, sales or transfers	Total stamp taxes
1916	$38,110,282	([6])	([6])	$819,654	----------	$38,929,936
1917	8,254,342	([6])	([6])	820,897	----------	9,075,239
1918	17,284,805	$2,236,040	$2,353,889	1,276,505	----------	23,151,239
1919	28,946,888	7,540,881	7,263,571	2,091,791	----------	45,843,131
1920	59,715,331	13,372,164	8,171,871	3,088,462	----------	84,347,828
1921	53,551,491	8,790,906	7,521,676	2,603,941	----------	72,468,014
1922	41,347,753	9,012,702	5,558,589	2,787,921	----------	58,706,965
1923	44,603,166	9,871,604	7,015,382	3,385,227	----------	64,875,379
1924	43,031,608	7,936,832	7,557,577	3,731,537	----------	62,257,554
1925	27,862,622	12,808,629	5,397,148	3,183,385	----------	49,251,784
1926	28,480,422	17,137,186	4,183,218	4,213,414	----------	54,014,240
1927	13,044,446	16,674,103	2,884,534	4,742,469	----------	37,345,552
1928	15,561,459	24,208,538	4,048,499	5,010,712	----------	48,829,208
1929	17,868,372	37,595,928	3,333,427	5,375,804	----------	64,173,531
1930	22,611,275	46,698,227	3,599,875	4,819,293	----------	77,728,670
1931	14,757,383	25,519,973	1,682,681	4,993,559	----------	46,953,596
1932	9,198,539	17,696,130	959,320	4,386,831	----------	32,240,820
1933	16,034,755	33,188,495	4,206,598	3,908,354	----------	57,338,202
1934	16,259,305	38,065,999	7,847,743	4,406,385	$606	66,580,038
1935	17,934,777	15,747,363	3,950,544	4,351,299	1,149,390	43,133,373
1936	28,162,658	33,054,798	2,943,542	4,143,698	685,188	68,989,884
1937	28,651,710	31,350,597	5,096,814	4,186,502	633,712	69,919,335
1938	20,083,581	18,355,346	3,599,389	4,052,567	142,107	46,232,990
1939	19,366,430	17,064,488	248,982	4,141,167	261,772	41,082,839
1940	18,145,228	15,527,950	----------	4,814,328	193,737	38,681,243
1941	22,072,503	12,176,497	93	4,756,572	51,286	39,056,951
1942	22,875,490	13,028,317	----------	5,757,956	40,402	41,702,165
1943	21,765,732	15,584,591	----------	7,693,909	111,054	45,155,286

Year	Tobacco manufactures, including special taxes in effect to June 30, 1926	Manufacturers', etc., excise [7]	Soft drinks	Telegraph, telephone, cable, and radio facilities, etc.	Transportation, including oil by pipe line [8]	Insurance
1916	$88,063,948	$4,218,979	----------	([6])	([6])	([6])
1917	103,201,592	775,078	----------	([6])	([6])	([6])
1918	156,188,660	36,636,607	$2,215,181	$6,299,017	$64,437,533	$6,492,025
1919	206,003,092	79,400,266	7,182,219	17,902,389	219,937,183	14,508,881
1920	295,809,355	267,968,579	57,460,956	27,677,041	261,671,046	18,421,754
1921	255,219,385	229,397,837	58,675,973	28,442,413	273,070,001	18,992,094
1922	270,759,384	174,361,288	33,504,284	29,271,522	169,518,727	10,855,404
1923	309,015,493	185,117,058	10,131,897	30,380,784	----------	----------
1924	325,638,931	200,921,721	10,418,866	34,662,429	----------	----------
1925	345,247,211	140,877,326	----------	----------	----------	----------
1926	370,666,439	150,220,488	----------	----------	----------	----------
1927	376,170,205	66,850,109	----------	----------	----------	----------
1928	396,450,041	51,951,694	----------	----------	----------	----------
1929	434,444,543	5,723,791	----------	----------	----------	----------
1930	450,339,061	2,676,261	----------	----------	----------	----------
1931	444,276,503	149,744	----------	----------	----------	----------
1932	398,578,619	96,195	----------	----------	----------	----------
1933	402,739,059	243,600,368	4,186,447	14,564,756	7,467,298	----------
1934	425,168,897	385,291,214	4,746,733	19,250,800	10,379,370	----------
1935	458,775,934	342,144,686	129,991	19,741,434	9,479,722	----------
1936	500,785,385	382,716,142	60,029	21,098,348	9,793,995	----------
1937	551,922,580	449,853,630	38,553	24,569,627	11,244,096	----------
1938	567,777,410	416,753,516	35,052	23,977,064	12,517,030	----------
1939	579,784,074	396,891,003	5,362	24,093,719	10,954,733	----------
1940	608,072,770	447,087,632	2,062	26,367,945	11,510,647	----------
1941	697,712,322	617,373,372	771	27,331,114	12,480,586	----------
1942	780,792,270	771,902,259	3,937	75,022,772	34,853,718	----------
1943	923,857,284	504,746,434	2,670	158,161,290	183,359,969	----------

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TABLE 7.—*Internal revenue collections, by tax sources, fiscal years 1916 through 1943* [1]—Continued

Year	Leases of safe deposit boxes	Checks, drafts, or orders for the payment of money	Admissions	Club dues	Oleomargarine, including special taxes	Narcotics, including special taxes
1916					$1,485,971	$245,072
1917					1,995,720	277,165
1918			$26,357,339	$2,259,057	2,336,907	185,359
1919			50,919,608	4,072,549	2,791,831	726,137
1920			76,720,555	5,198,001	3,728,276	1,514,230
1921			89,730,833	6,159,818	2,986,465	1,170,316
1922			73,384,956	6,615,634	2,121,080	1,269,090
1923			70,175,147	7,170,731	2,254,531	1,013,736
1924			77,712,524	8,009,861	2,814,104	1,057,341
1925			30,907,809	8,690,588	3,038,928	1,090,933
1926			23,980,677	10,073,838	3,070,218	981,739
1927			17,940,637	10,436,021	3,164,219	797,825
1928			17,724,952	10,352,990	3,407,600	690,432
1929			6,083,056	11,245,255	3,611,153	605,336
1930			4,230,667	12,521,092	3,919,388	588,682
1931			2,778,864	11,477,723	2,681,428	607,340
1932			1,858,606	9,204,587	1,744,737	521,163
1933	$2,365,041	$38,456,493	15,520,512	6,679,261	1,347,191	457,068
1934	2,715,851	41,383,199	14,613,414	5,986,150	1,476,230	495,270
1935	2,317,619	25,645,139	15,379,397	5,784,495	2,048,977	580,613
1936	1,997,410	25,556	17,112,176	6,090,923	2,203,804	554,028
1937	2,039,714	8,221	19,740,192	6,287,768	2,348,415	573,493
1938	2,013,159	14,770	20,800,779	6,550,931	2,465,926	574,164
1939	1,980,525	4,288	19,470,802	6,216,900	2,210,386	572,088
1940	1,988,934	2,304	21,887,916	6,334,909	2,013,600	610,098
1941	2,215,898	1,733	70,963,094	6,582,649	2,121,713	690,288
1942	3,662,536	1,629	115,032,269	6,791,900	2,244,252	745,043
1943	6,070,096	1,714	154,450,723	6,519,891	2,620,644	788,094

Year	Coconut, etc., oils processed	Crude petroleum processed, etc.	National Firearms Act	Bituminous coal	Employment	
					Social security	Carriers and their employees
1935	$7,314,619	$1,759,790	$8,015			
1936	11,730,752	1,163,755	5,342	$729,218		$48,279
1937	11,560,430	894,183	4,451		$265,458,404	286,904
1938	13,266,652	991,248	10,747	3,211,601	593,184,560	149,475,666
1939	9,024,699	106,055	9,079	3,317,259	631,002,237	109,426,628
1940	5,697,834	555	12,389	4,161,664	711,473,332	122,047,644
1941	5,163,184	359	15,898	4,385,799	787,985,273	137,871,188
1942	7,160,701	473	19,502	5,478,909	1,014,952,829	170,409,015
1943	1,939,099	43	20,191	5,626,479	1,287,553,791	211,151,243

Year	Retailers' excise	Use of motor vehicles	Use of boats	Bowling alleys, pool tables, etc.	Coin-operated devices
1942	$80,167,124	$72,625,488	$228,387	$1,698,394	$6,485,000
1943	165,265,869	146,289,284	377,917	1,852,664	10,487,104

Footnotes at end of table.

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TABLE 7.—*Internal revenue collections, by tax sources, fiscal years 1916 through 1943* [1]—Continued

Year	Receipts in connection with prohibition enforcement	Miscellaneous [9]	Special taxes not elsewhere included [10]	Agricultural adjustment	Sugar Act of 1937	Grand total [3]
1916		$480,477	$6,908,108			$512,723,288
1917		892,681	5,237,044			809,393,640
1918		1,091,814	2,691,587			3,698,955 821
1919		1,501,005	4,721,298			3,850,150,079
1920	$641,029	3,045,183	9,913,281			5,407,580,252
1921	2,152,387	1,975,970	8,585,540			4,595,357,062
1922	1,979,587	3,881,415	8,662,760			3,197,451,083
1923	729,244	3,125,078	8,035,583			2,621,745,228
1924	855,395	4,232,637	7,814,414			2,796,179,257
1925	560,888	12,156,929	5,811,558			2,584,140,268
1926	416,198	870,777	4,546,978			2,835,999,892
1927	502,877	2,009,639	7,967			2,865,683,130
1928	925,252	1,536,971	9,763			2,790,535,538
1929	727,006	536,111				2,909,054,375
1930	1,105,172	265,651				3,040,145,733
1931	586,150	166,518				2,428,228,754
1932	490,775	110,569				1,557,729,042
1933	529,789	72,435	239,859			1,619,839,224
1934	378,715	50,295,759	180,673	$371,422,886		2,672,239,195
1935		989,792	1,737	526,222,358		3,281,791,303
1936		429,891	1,687	62,323,329		3,494,330,891
1937		851,822	189			4,634,308,141
1938		503,950	68		$30,569,130	5,643,848,186
1939		159,632			65,414,058	5,162,363,836
1940		189,049			68,145,358	5,322,771,229
1941		43,515			74,834,722	7,351,533,723
1942		216,035			68,229,803	13,029,915,278
1943		215,380			53,551,777	22,368,724,066

NOTE.—Figures for 1935 and subsequent years exclude trust fund receipts. Figures are rounded to nearest dollar and will not necessarily add to totals.

[1] For figures for 1863 to 1915, see annual report for 1929, p. 419.

[2] Separate figures on corporation and individual income and excess profits tax collections not available for the years 1918 to 1924.

[3] Includes income tax on Alaska Railways except in fiscal years 1935, 1936, and 1937, during which time these receipts were considered trust fund receipts.

[4] Includes munitions manufacturers' tax, 1917, $27,663,940; and 1918, $13,296,927.

[5] Originally schedule A, act of Oct. 22, 1914; now covers issues and transfers of bonds, issues of capital stock, passage tickets, foreign insurance policies, and deeds of conveyance.

[6] Included under "Stamp taxes—Bonds, etc."

[7] Includes taxes on sales under act of Oct. 22, 1914, manufacturers', consumers', and dealers' excise taxes under the war revenue and subsequent acts, except soft drink taxes; all taxes paid by manufacturers of and dealers in adulterated and process or renovated butter, mixed flour, and filled cheese; and for 1932–43, manufacturers' excise taxes (act of 1932, as amended) except soft drinks.

[8] Includes tax on transportation of persons beginning in 1942, and tax on transportation of property in 1943 (levied Dec. 1, 1942).

[9] Includes receipts, in addition to those classed as miscellaneous, as follows: (a) for 1916–33, delinquent taxes collected under repealed laws, except delinquent collections on automobiles for 1929 and 1930, included under "Manufacturers' excise taxes," and on "Capital stock," under which the collections for 1927–30 represent delinquencies; (b) for 1919, 1920, and 1921 receipts which remained unclassified at the time the statistical tables were compiled; (c) internal revenue collected through customs offices for 1921–33; subsequently such receipts are included with "Distilled spirits"; (d) penalties for 1916, $458,773; 1917, $871,606; and 1918, $985,220; after 1918 all penalties are included under the respective taxes to which they relate; (e) for 1933 and subsequent years taxes on jewelry and candy formerly classified as manufacturers' excise taxes, and tax on dividends.

[10] Includes the occupational taxes imposed under the act of Oct. 22, 1914, on various classes of entertainment proprietors, brokers, and bankers, with subsequent repeals and amendments to include hackney automobiles and boats. Collections for 1933 and 1934 were entirely from pleasure boats.

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TABLE 8.—*Internal revenue collections, by States and Territories, fiscal year 1943* [1]

[On basis of reports of collections, see p. 460]

States, etc.	Income, excess profits, and unjust enrichment taxes					Miscellaneous internal revenue taxes [3 4]	Employment taxes, including carriers taxes	Total collections [3 4 5]
	Corporation income taxes			Individual income taxes [2]	Total income, excess profits and unjust enrichment taxes [3]			
	Normal and surtaxes	Excess profits taxes	Unjust enrichment taxes					
Alabama	$25,497,308.10	$37,367,755.56	$52,547,72	$54,157,862.42	$117,075,473.80	$11,934,009.20	$13,421,312.53	$142,430,795.53
Arizona	3,217,664.04	3,144,977.36	400.11	19,974,991.03	26,338,032.54	4,644,315.92	2,505,652.78	33,488,001.24
Arkansas	7,176,617.56	5,368,968.37	6,096.44	30,117,845.00	42,669,527.37	8,167,566.49	3,912,323.89	54,749,417.75
California	215,171,683.50	262,215,921.94	11,590.00	538,659,816.50	1,016,059,011.94	284,006,514.02	111,099,015.80	1,411,164,541.76
Colorado	21,100,690.03	13,897,139.49	1,934.69	45,334,796.04	80,334,560.25	28,468,859.10	8,758,390.95	117,561,810.30
Connecticut	92,385,631.05	209,266,874.32	900.73	152,196,081.93	453,849,488.03	57,278,375.29	35,319,638.80	546,447,502.12
Delaware	107,977,374.34	134,404,252.94	26,080.63	45,476,349.87	287,884,257.78	13,877,685.10	13,545,347.50	315,307,290.38
District of Columbia	26,843,037.80	9,642,641.57	3,334.74	94,670,112.11	131,159,126.22	20,899,536.17	13,873,717.73	165,932,380.12
Florida	18,588,998.06	13,534,300.91	1,129.22	77,947,564.86	110,071,993.05	35,549,439.99	10,268,375.79	155,889,808.83
Georgia	35,989,971.00	37,701,725.66	14,907.83	77,592,888.07	151,299,492.56	32,456,360.70	15,223,608.18	198,979,461.44
Idaho	4,942,134.19	4,944,631.90	120.35	15,462,716.52	25,349,603.46	3,382,226.07	2,278,532.65	31,010,362.18
Illinois	382,430,601.68	473,762,783.46	226,941.28	548,853,470.52	1,405,273,796.94	342,786,903.57	132,523,525.51	1,880,584,226.02
Indiana	62,781,890.06	97,379,683.07	6,723.16	153,426,424.08	313,594,720.37	159,920,760.89	24,107,539.37	497,623,020.63
Iowa	22,570,932.57	18,869,197.51	294,778.37	70,212,565.09	111,947,473.54	16,399,856.08	9,327,087.01	137,674,416.63
Kansas	48,077,914.61	22,875,466.18	1,720.02	57,717,357.72	128,672,458.53	20,358,787.02	15,010,923.77	164,042,169.32
Kentucky	42,301,896.37	36,043,411.30	37,981.87	46,544,493.38	124,927,782.92	282,384,516.46	13,294,751.77	420,607,051.15
Louisiana	27,415,745.12	18,786,934.23	371.34	65,235,743.06	111,438,793.75	42,960,584.74	10,961,111.13	165,360,489.62
Maine	13,901,036.09	14,051,227.86	103.78	28,178,912.62	56,131,280.35	7,706,794.50	7,276,962.54	71,115,037.39
Maryland	63,323,275.32	42,588,849.03	19,728.36	143,862,981.85	249,794,834.56	147,034,359.05	25,787,505.54	422,616,699.15
Massachusetts	206,811,731.88	180,710,317.96	12,963.83	243,066,578.44	630,601,592.11	114,044,310.39	55,591,885.44	800,237,787.94
Michigan	283,103,962.54	317,097,974.06	51,988.18	370,803,412.81	971,057,337.59	124,262,889.06	92,650,065.44	1,187,970,292.09
Minnesota	66,162,384.20	56,869,085.59	13,616.19	104,082,691.92	227,127,777.90	51,727,122.39	27,842,812.41	306,697,712.70
Mississippi	6,644,196.76	7,145,751.93	818.15	26,216,886.70	40,007,653.54	5,335,901.81	3,567,315.66	48,910,871.01
Missouri	112,139,726.83	121,199,391.97	379,382.76	152,588,002.02	386,306,503.58	112,036,419.70	41,963,150.38	540,306,073.66
Montana	6,006,387.93	2,491,774.49	2,598.72	19,528,911.48	28,029,672.62	10,638,154.17	1,746,583.02	40,414,409.81
Nebraska	11,977,698.21	10,904,441.16	3,380.83	45,291,146.08	68,176,666.28	22,460,361.57	14,625,006.11	105,262,033.96
Nevada	3,409,502.97	878,310.85	206,07	13,152,475.66	17,440,495.55	3,362,996.68	1,116,211.69	21,919,703.92
New Hampshire	6,245,461.21	8,523,649.11	1,288.42	18,723,252.88	33,493,651.62	5,350,014.26	3,239,672.58	42,083,338.46
New Jersey	130,633,024.23	173,477,297.38	30,767.56	264,405,091.15	568,546,180.32	180,908,200.37	50,964,136.08	800,418,516.77
New Mexico	1,691,375.68	858,521.58	4,284.47	12,792,508.26	15,346,689.99	2,707,780.82	1,051,351.57	19,105,822.38
New York	1,084,796,313.56	1,318,444,530.20	193,410.24	1,068,327,707.43	3,471,761,961.43	600,830,873.15	275,642,132.91	4,348,234,967.49
North Carolina	64,736,608.09	75,703,941.59	15,849.49	67,408,196.05	207,864,595.22	444,958,711.13	19,558,074.22	672,381,380.57
North Dakota	1,324,557.32	495,935.21	4,950.00	10,788,328.83	12,613,771.36	2,561,360.73	770,626.38	15,945,758.47
Ohio	539,218,062.55	365,829,752.24	51,738.01	387,595,587.90	1,292,695,140.70	231,626,064.50	100,585,766.62	1,624,906,971.82
Oklahoma	37,093,954.45	14,834,751.22	20,643.57	46,874,808.91	98,824,158.15	47,997,093.44	9,935,664.74	156,756,916.33
Oregon	15,303,665.49	25,525,253.84	552.60	63,810,838.72	104,640,310.65	12,889,117.00	13,000,291.42	130,529,719.07
Pennsylvania	331,159,351.34	493,278,274.31	96,571.30	634,017,482.33	1,458,551,679.28	390,979,433.85	158,316,109.22	2,007,847,222.35

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Rhode Island	27,572,319.20	46,357,384.49	1,047.85	43,343,745.23	117,274,496.77	29,774,357.05	9,550,777.80	156,599,631.62
South Carolina	18,314,274.60	45,144,909.09	76,738.88	28,239,759.22	91,775,681.79	7,427,571.97	6,678,058.29	105,881,312.05
South Dakota	1,893,287.82	1,061,706.78	1,074.02	9,569,107.90	12,525,176.52	3,027,533.89	1,032,513.67	16,585,224.08
Tennessee	28,375,432.12	32,466,156.30	49,054.69	65,891,494.25	126,782,137.36	22,698,984.90	12,659,554.11	162,140,676.37
Texas	95,807,308.60	44,438,239.75	35,693.13	243,251,404.57	383,532,646.05	114,718,573.15	37,862,096.23	536,113,315.43
Utah	9,187,199.74	4,910,360,68	6,843.49	18,137,626.36	32,242,030.27	9,354,940.41	3,812,329.34	45,409,300.02
Vermont	5,036,569.67	12,006,542.94	20.00	9,463,340.75	26,506,473.36	3,251,721.84	2,384,716.37	32,142,911.57
Virginia	55,722,986.94	58,675,260.69	321.65	82,150,470.85	196,549,040.13	345,349,395.71	21,625,823.33	563,524,259.17
Washington	40,741,314.50	77,023,421.34	29.69	115,018,705.95	232,783,471 48	31,768,863.15	22,472,855.96	287,025,190.59
West Virginia	20,037,041.86	19,724,865.81	28,593.86	36,499,762.79	76,290,264.32	14,350,996.29	8,976,525.80	99,617,786.41
Wisconsin	72,814,791.31	158,438,372.35	1,677.31	113,898,626.00	345,153,466.97	90,064,938.86	25,436,957.57	460,655,363.40
Wyoming	1,753,621.15	978,736,60	14,797.95	10,511,444.61	13,258,600.31	2,473,763.95	865,974.81	16,598,339.07
Alaska	239,738.23	272,981.62		3,258,132.84	3,770,852.69	732,919.47	440,906.08	4,944,678.24
Hawaii	13,203,257.41	14,681,462.78		35,572,102.66	63,456,822.85	8,781,675.31	4,243,765.10	76,482,263.26
Puerto Rico				29,384.84	29,384.84	2,460,449.86		2,489,834.70
Total	4,520,851,709.88	5,146,296,098.57	1,808,294.05	6,629,931,989.06	16,298,888,091.56	4,571,130,941.19	1,498,705,033.59	22,368,724,066.34
Adjustment for items in transit					−205,219,310.42	−18,481,343.19	−1,054,413.45	−224,755,067.06
Receipts per daily Treasury statement					16,093,668,781.14	4,552,649,598.00	1,497,650,620.14	22,143,968,999.28

NOTE.—For additional information see published report of the Commissioner of Internal Revenue for the year ended June 30, 1943.

[1] Federal tax receipts in the various States do not indicate the tax burden of the respective States, since the taxes may be eventually borne by persons in other States.
[2] Includes income taxes of $686,015,010.47 withheld on salaries and wages.
[3] Excludes certain trust fund receipts, see note 5.
[4] Includes (on warrant basis) $83,406,478.87 from excise tax on imported distilled spirits and $743,363.80 from excise tax on imported wines; also includes $144,045,014.84 from the sale of motor vehicle use stamps and $6,062,960.47 from the sale of documentary stamps deposited by postmasters.
[5] Excludes collections for credit to trust accounts as follows:

Tax on Philippine manufactured products (act of Aug. 5, 1909)	$35,192.34
Tax on Philippine coconut oil (sec. 602½, act of 1934)	2,495,816.78
Tax on Puerto Rico manufactured products (act of March 2, 1917)	130,872.66
Tax on American Samoa coconut oil (sec. 561, Revenue Act of 1941)	548.43
Total internal revenue collections reported for credit to trust funds	2,662,430.21

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TABLE 9.—*Summary of customs collections and expenditures, fiscal year 1943*

[On basis of accounts of the Bureau of Customs]

Collections [1]	Amount		Appropriations and expenditures	Amount	
Customs receipts:			Appropriation "Collecting the revenue from customs":		
Duties on imports		$325,957,912.08	Regular	$21,385,855.00	
Miscellaneous receipts (fines, penalties, etc.)		2,165,884.90	First supplemental (approved July 25, 1942)	1,116,000.00	
			Urgent deficiency (approved July 12, 1943)	1,336,200.00	
Total		328,123,796.98			$23,838,055.00
Collections for other departments, bureaus, etc.:			Less: Transferred to Coast Guard		52,400.00
Federal Security Agency	$315,276.06		Total		23,785,655.00
Department of Justice	562,735.96		Expenditures—obligations incurred by:		
Internal revenue taxes	85,019,387.16		Collectors of customs	16,312,036.52	
Printing and binding	18,227.37		Appraisers of merchandise	2,931,277.83	
Sale of publications	32,016.92		Chief chemists	340,415.81	
Navy Department	113,256.38		Comptroller of customs	765,446.09	
War Department	4,000.56		Agency service (investigation and patrol)	2,288,103.98	
Federal Communications	2,196.56		Administrative	744,359.28	
Department of Interior	353.01				23,381,639.51
		86,067,449.98			
Total collections		414,191,246.96	Balance of appropriation		404,015.49
			Appropriation "Refunds and drawbacks"		19,000,000.00
			Expenditures for refunds, drawbacks, and minor payments of a similar nature		14,321,016.66
			Balance of appropriation		4,678,983.34

[1] Excludes duties and sale of insular government property for Puerto Rico, but includes other Puerto Rican collections.

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TABLE 10.—*Expenditures by organizations and by fiscal years from April 8, 1935, through June 30, 1943, under the Emergency Relief Appropriation Acts for the fiscal years 1935 through 1943*

[On basis of checks issued, see p. 460]

Organization	Fiscal years 1935, 1936, and 1937 [1]	Fiscal year 1938	Fiscal year 1939	Fiscal year 1940	Fiscal year 1941	Fiscal year 1942	Fiscal year 1943	Total through June 30, 1943
LEGISLATIVE ESTABLISHMENT								
Architect of the Capitol	$371	$325,634	$38,692					$364,697
Library of Congress	535,079	170,256	135,000	$115,462	$109,422	$60,514	$2,499	1,128,231
EXECUTIVE OFFICE								
Executive Office of the President:								
Bureau of the Budget				3,894				3,894
National Resources Planning Board	1,666,564	715,974	682,934	813,306	117,482	5,076		4,001,336
Office of War Information:								
Office of Government Reports	2,640,778	682,153	804,893	775,304	729,489	41,118	32	5,673,766
War Manpower Commission:								
National Youth Administration [2]							[a] *601*	[a] *601*
Total Executive Office of the President	4,307,342	1,398,127	1,487,827	1,592,504	846,971	46,194	[a] *570*	9,678,395
EXECUTIVE DEPARTMENTS								
Agriculture:								
Exclusive of Farm Security Administration	130,075,772	30,203,839	28,040,118	19,769,635	12,608,438	3,573,325	180,516	224,451,643
Farm Security Administration	349,889,394	169,297,254	180,557,282	156,586,179	57,101,059	6,470,578	[a] *589*	919,901,157
Total Department of Agriculture	479,965,166	199,501,093	208,597,400	176,355,814	69,709,497	10,043,903	179,927	1,144,352,801
Commerce	11,326,021	511,504	301,285	316,095	242,616	446,112	30,435	13,174,068
Interior:								
Exclusive of Puerto Rico Reconstruction Administration	59,573,158	29,885,296	26,775,439	9,960,605	7,200,477	1,199,523	[a] *56,595*	134,557,904
Puerto Rico Reconstruction Administration	28,114,232	12,186,620	13,722,842	9,116,837	4,688,329	605,572	[a] *53,693*	68,380,799
Total Department of the Interior	87,687,390	42,071,916	40,498,281	19,077,442	11,888,806	1,805,095	[a] *99,288*	202,938,703
Justice	1,803,591	1,186,913	920,821	84,364	15,855	10		4,011,554
Labor	1,869,889	604,632	877,817	1,843,609	1,730,367	332,288	6,324	7,264,925
Navy	32,759,118	13,600,374	15,199,564	10,153,168	10,361,749	1,772,425	26,188	83,872,586
State		152,264						152,264
Treasury	61,136,130	21,169,825	19,546,893	13,953,875	10,757,598	[r] 6,123,946	1,969,806	134,658,073

Footnotes at end of table.

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TABLE 10.—*Expenditures by organizations and by fiscal years from April 8, 1935, through June 30, 1943, under the Emergency Relief Appropriation Acts for the fiscal years 1935 through 1943*—Continued

Organization	Fiscal years 1935, 1936, and 1937 [1]	Fiscal year 1938	Fiscal year 1939	Fiscal year 1940	Fiscal year 1941	Fiscal year 1942	Fiscal year 1943	Total through June 30, 1943
EXECUTIVE DEPARTMENTS—Continued								
War:								
Exclusive of Corps of Engineers	$28, 565, 759	$25, 562, 060	$26, 409, 136	$17, 316, 903	$10, 948, 099	$1, 026, 758	$29, 098	$109, 857, 813
Corps of Engineers (rivers and harbors, etc.)	131, 840, 197	22, 857, 076	7, 840, 665	1, 069, 063	415, 395	6, 290		164, 028, 686
Total War Department	160, 405, 956	48, 419, 136	34, 249, 801	18, 385, 966	11, 363, 494	1, 033, 048	29, 098	273, 886, 499
INDEPENDENT ESTABLISHMENTS								
Advisory Committee on Allotments	17, 127							17, 127
Alley Dwelling Authority	170, 830	194, 667						365, 497
Census of Partial Employment, Unemployment and Occupations		1, 777, 260	85, 058	4, 644				1, 866, 962
Civil Service Commission	119, 541	[a] *11*						119, 530
Coordinator for Industrial Cooperation	166, 273	8, 101			65			174, 439
Employees' Compensation Commission	7, 944, 042	5, 228, 396	8, 359, 349	8, 988, 309	7, 758, 096	5, 398, 479	400, 641	44, 077, 312
Federal Emergency Relief Administration	933, 699, 422	481, 270	[a] *10, 179*	[a] *3, 804*	501	[a] *188*		934, 167, 022
Federal Security Agency:								
Civilian Conservation Corps	591, 498, 800	1, 013, 528	118, 354	[a] *8, 850*	557	1, 205	[a] *16*	592, 623, 577
National Youth Administration [2 3]	101, 154, 396	51, 156, 505	75, 146, 908	97, 078, 231	4, 969, 185	10, 341		329, 515, 566
Office of Education	2, 169, 515	377, 283	576, 949	497, 250	221, 060	12, 210		3, 854, 267
Public Health Service	7, 600, 555	2, 812, 309	1, 369, 278	507, 584	207, 079	60, 253	12, 392	12, 569, 450
St. Elizabeths Hospital [2]	9, 396							9, 396
Social Security Board	24, 247, 970	6, 456, 767	1, 241, 405	52, 157	24, 303	[r a] *7*		32, 022, 594
Total Federal Security Agency	726, 680, 632	61, 816, 392	78, 452, 894	98, 126, 372	5, 422, 184	84, 002	12, 376	970, 594, 851
Federal Works Agency:								
Public Buildings Administration	646, 754	97, 386	14, 051	88				758, 279
Public Roads Administration	368, 549, 722	79, 692, 964	30, 142, 064	12, 356, 153	6, 585, 629	3, 256, 091	1, 487, 785	502, 070, 408
Public Works Administration	293, 573, 170	74, 148, 118	13, 268, 092	5, 932, 137	3, 433, 855	1, 932, 803	3, 351, 333	395, 639, 508
Work Projects Administration [3 4]	3, 103, 717, 351	1, 427, 701, 995	2, 157, 201, 118	1, 461, 791, 706	1, 284, 780, 454	[r] 879, 229, 595	282, 781, 350	10, 597, 203, 569
Total Federal Works Agency	3, 766, 486, 997	1, 581, 640, 463	2, 200, 625, 325	1, 480, 080, 084	1, 294, 799, 938	884, 418, 489	287, 620, 468	11, 495, 671, 765

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General Accounting Office	6,549,016	4,361,836	4,319,857	5,129,109	5,539,219	1,455,914	637,342	27,992,293
National Housing Agency:								
Federal Public Housing Authority		16,255,077	3,515,713	180,497	6,875	6		19,958,167
Prison Industries Reorganization Administration	218,032	122,487	5,702	11				346,232
Veterans' Administration	1,225,483	242,767	767,668	906,977	740,233	356,478	33,202	4,272,808
Total expenditures	[1] 6,285,073,448	2,001,240,379	2,617,974,768	1,835,290,498	1,431,293,486	[r] 913,376,715	290,857,510	15,375,106,803

[a] Excess of credits (deduct).
[r] Revised.
[1] Includes $525,848,046 for 1935 (Apr. 8 to June 30, 1935), $2,898,716,470 for 1936, and $2,860,508,932 for 1937.
[2] Pursuant to Executive Order No. 9247, dated Sept. 17, 1942, National Youth Administration was transferred to Executive Office, Office for Emergency Management, War Manpower Commission.
[3] Administrative expenses for National Youth Administration under the Emergency Relief Appropriation Acts of 1935, 1936, 1937, and 1938 are included in amounts shown for Work Projects Administration.
[4] Does not include transfers to other Federal agencies.

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TABLE 11.—*Receipts and expenditures of the social security program under the Social Security, Railroad Retirement, and Railroad Unemployment Insurance Acts, fiscal years 1936 through 1941 combined, fiscal year 1942, and monthly for the fiscal year 1943*

[On basis of daily Treasury statements, see p. 459]

	Fiscal years 1936 through 1941	Fiscal year 1942	Fiscal year 1943					
			July 1942	August 1942	September 1942	October 1942	November 1942	December 1942
RECEIPTS								
Social security taxes:								
Employment taxes [1]	$2,534,358,571.48	$895,618,838.82	$49,371,007.56	$211,685,313.13	$3,435,382.03	$43,949,212.79	$231,074,771.34	$3,516,783.70
Tax on employers of 8 or more (employment taxes) [2 3]	453,923,390.76	119,944,146.04	2,842,285.78	8,452,284.31	882,344,56	2,618,582.88	8,639,376.13	950,014.38
Total social security taxes	2,988,281,962.24	1,015,562,984.86	52,213,293.34	220,137,597.44	4,317,726.59	46,567,795.67	239,764,147.47	4,466,798.08
Railroad Retirement Act:								
Taxes upon carriers and their employees (employment taxes) [1]	517,642,614.66	170,011,691.46	977,435.48	11,454,831.54	36,491,492.67	1,126,358.61	8,183,017.84	42,847,667.68
Railroad Unemployment Insurance Act:								
Railroad unemployment insurance contributions [3 4]	11,732,758.30	8,472,212.10	8,677,67	159,915.33	2,244,761.53	10,557.65	93,803.03	2,456,072.70
Total receipts	3,517,657,335.20	1,194,046,888.42	53,199,406.49	231,752,344.31	43,053,980.79	47,704,711.93	248,040,968.34	49,770,538.46
Deduct net appropriations and transfers to Federal old-age and survivors insurance trust fund [5]	2,354,012,466.42	868,853,202.82	47,109,244.50	209,423,550.07	1,173,618.96	41,422.760,56	228,548,319.11	990,331.47
Net receipts	1,163,644,868.78	325,193,685.60	6,090,161.99	22,328,794.24	41,880,361.83	6,281,951.37	19,492,649.23	48,780,206.99

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	Fiscal year 1943						Total fiscal year 1943	Grand total, fiscal years 1936 through 1943
	January 1943	February 1943	March 1943	April 1943	May 1943	June 1943		
RECEIPTS								
Social security taxes:								
Employment taxes [1]	$37,117,447.01	$236,743,447.84	$2,858,324.03	$43,406,567.79	$264,568,374.04	$2,768,569.44	$1,130,495,200.70	$4,560,472,611.00
Tax on employers of 8 or more (employment taxes) [2 3]	13,606,444.06	99,042,043.45	3,242,956.03	3,259,852.76	11,653,244.78	3,121,098.13	158,360,527.25	732,228,064.05
Total social security taxes	50,723,891.07	335,785,491.29	6,101,280.06	46,666,420.55	276,221,618.82	5,889,667.57	1,288,855,727.95	5,292,700,675.05
Railroad Retirement Act:								
Taxes upon carriers and their employees (employment taxes)	1,074,907.94	7,387,128.88	41,765,650.97	2,971,283.74	5,896,774.12	48,618,342.72	208,794,892.19	896,449,198.31
Railroad Unemployment Insurance Act:								
Railroad unemployment insurance contributions [3 4]	6,271.10	127,003.18	2,519,998.34	8,267.13	46,767.43	2,586,498.81	10,268,593.90	30,473,564.30
Total receipts	51,805,070.11	343,299,623.35	50,386,929.37	49,645,971.42	282,165,160.37	57,094,509.10	1,507,919,214.04	6,219,623,437.66
Deduct net appropriations and transfers to Federal old-age and survivors insurance trust fund [5]	35,307,968.73	234,933,969.56	1,048,845.74	40,840,125.57	262,001,931.82	202,127.21	1,103,002,793.30	4,325,868,462.54
Net receipts	16,497,101.38	108,365,653.79	49,338,083.63	8,805,845.85	20,163,228.55	56,892,381.89	404,916,420.74	1,893,754,975.12

[1] Relates to old-age insurance benefits.

[2] Second Deficiency Appropriation Act, fiscal year 1938, approved June 25, 1938, carried an appropriation of $40,561,886.43 pursuant to authorization of Aug. 24, 1937, for making refund to certain States of portions of Federal employers' tax for 1936 collected under the Social Security Act. Also the Railroad Unemployment Insurance Act, approved June 25, 1938, appropriated to the Railroad Unemployment Insurance Administration fund amounts collected or to be collectible with respect to the calendar years 1936, 1937, 1938, and 1939, from carriers subject to the act, under sec. 901 of the Social Security Act.

[3] Relates to unemployment insurance benefits.

[4] These contributions represent 10 percent of amounts collected under sec. 8 of the Railroad Unemployment Insurance Act, which, in addition to other collections referred to in footnote 2, are appropriated to the Railroad Unemployment Insurance Administration fund for the administrative expenses of the Railroad Retirement Board in administering the act.

[5] Includes transactions formerly classified under the caption "Old-age reserve account." Amounts are net of reimbursement for administrative expenses under sec. 201 (f) of the Social Security Act, as amended.

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TABLE 11.—*Receipts and expenditures of the social security program under the Social Security, Railroad Retirement, and Railroad Unemployment Insurance Acts, fiscal years 1936 through 1941 combined, fiscal year 1942, and monthly for the fiscal year 1943*—Continued

	Fiscal years 1936 through 1941	Fiscal year 1942	Fiscal year 1943					
			July 1942	August 1942	September 1942	October 1942	November 1942	December 1942
EXPENDITURES								
Administrative expenses:								
Social Security Act:								
Federal Security Agency:								
Social Security Board (Title VII)[7 8]	$104,339,699.31	$24,752,160.70	$2,069,288.17	$2,101,531.73	$1,880,762.82	$2,180,599.65	$1,666,808.01	$2,103,478.53
Department of Commerce (Title VII)[8]	443,610.72	114,548.33	33,994.53	40,322.44	33,287.75	24,304.26	21,511.39	22,708.25
Department of Labor (Title V (5))[8]	1,717,689.87	363,072.12	29,798.92	26,883.69	28,096.09	27,449.35	29,119.04	27,944.95
Treasury Department [8]	8,007,564.86	6,230,946.00	530,832.73	530,832.73	530,832.74	589,914.56	589,914.56	589,914.57
Total, Social Security Act	114,508,564.76	31,460,727.15	2,663,914.35	2,699,570.59	2,472,979.40	2,822,267.82	2,307,353.00	2,744,046.30
Railroad Retirement Act: [8]								
Railroad Retirement Board:								
Acquisition of service and compensation data	887,910.50	4,724,114.00	377,855.00	436,617.50	292,679.50	223,386.50	295,469.00	177,372.00
Other	12,852,617.73	2,856,222.64	230,295.69	216,804.68	216,461.92	227,283.15	206,709.55	259,778.72
Railroad Unemployment Insurance Act:								
Railroad Retirement Board:								
Railroad unemployment insurance administration fund [3 9]	8,860,423.60	2,506,305.92	168,326.63	188,753.78	154,689.54	140,123.66	157,073.25	161,775.89
Total administrative expenses	137,109,516.59	41,547,369.71	3,440,391.67	3,541,746.55	3,136,810.36	3,413,061.13	2,966,604.80	3,342,972.91

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	Fiscal year 1943						Total fiscal year 1943	Grand total, fiscal years 1936 through 1943
	January 1943	February 1943	March 1943	April 1943	May 1943	June 1943		
EXPENDITURES								
Administrative expenses:								
Social Security Act:								
Federal Security Agency:								
Social Security Board (Title VII) [7] [8]	$1,999,243.98	$2,096,425.11	$2,733,926.85	$2,281,671.78	$2,155,059.18	$2,255,311.18	$25,524,106.99	$154,615,967.00
Department of Commerce (Title VII) [8]	39,869.93	50,269.40	45,696.09	42,270.55	41,322.22	37,244.62	432,801.43	990,960.48
Department of Labor (Title V (5)) [8]	30,285.42	86,728.56	[a] *21,583.24*	33,054.07	33,227.13	34,764.26	365,768.24	2,446,530.23
Treasury Department [6]	540,330.28	540,330.28	540,330.29	656,788.56	656,788.56	656,788.55	6,953,598.41	21,192,109.27
Total, Social Security Act	2,609,729.61	2,773,753.35	3,298,369.99	3,013,784.96	2,886,397.09	2,984,108.61	33,276,275.07	179,245,566.98
Railroad Retirement Act: [3]								
Railroad Retirement Board:								
Acquisition of service and compensation data	265,639.50	236,393.00	137,250.00	140,166.00	20,601.00	78,639.00	2,682,068.00	8,294,092.50
Other	220,712.19	245,336.64	287,128.18	215,679.47	206,989.47	191,145.19	2,724,324.85	18,433,165.22
Railroad Unemployment Insurance Act:								
Railroad Retirement Board:								
Railroad unemployment insurance administration fund [3] [9]	147,966.04	209,562.67	188,109.25	188,604.52	212,600.84	274,021.03	2,191,607.10	13,558,336.62
Total administrative expenses	3,244,047.34	3,465,045.66	3,910,857.42	3,558,234.95	3,326,588.40	3,527,913.83	40,874,275.02	219,531,161.32

[a] Excess of credits (deduct).

[3] Relates to unemployment insurance benefits.

[6] Beginning Jan. 1, 1940, expenditures include estimated amounts for expenses of the Treasury Department (for which reimbursement was made to the General Fund) in connection with the Federal old-age and survivors insurance trust fund and collection of employment taxes under the provisions of sec. 201 (f) of the Social Security Act, as amended. Provision for such expenditures is made in the regular annual appropriations of the Treasury Department.

[7] Includes amounts for administrative expenses reimbursed to the General Fund of the Treasury under sec. 201 (f) of the Social Security Act, as amended, and, beginning July 1, 1940, also includes expenses for administration of the Wagner-Peyser Act.

[8] Represents expenditures from appropriations made specifically for administrative expenses relating to the Social Security and Railroad Retirement Acts. Does not include administrative expenses payable from other appropriations.

[9] See explanation in footnotes 2 and 4, p. 515.

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TABLE 11.—*Receipts and expenditures of the social security program under the Social Security, Railroad Retirement, and Railroad Unemployment Insurance Acts, fiscal years 1936 through 1941 combined, fiscal year 1942, and monthly for the fiscal year 1943*—Continued

	Fiscal years 1936 through 1941	Fiscal year 1942	Fiscal year 1943					
			July 1942	August 1942	September 1942	October 1942	November 1942	December 1942
EXPENDITURES—Continued								
Grants to States:								
Social Security Act:								
Federal Security Agency:								
Social Security Board:								
Old-age assistance (Title I)	$1,023,226,716.88	$299,054,495.92	$47,176,514.80	$25,977,389.09	$10,997,481.06	$35,204,742.93	$24,769,033.59	$24,861,852.41
Aid to dependent children (Title IV)	181,411,207.33	69,406,312.49	11,543,076.63	6,835,803.74	2,879,371.13	8,175,172.29	6,442,235.68	2,701,489.45
Aid to the blind (Title X)	29,390,852.59	7,954,052.29	1,304,854.46	759,470.00	361,061.39	959,642.17	736,886.99	392,037.34
Unemployment compensation administration (Title III) [3] [11]	232,148,678.76	70,256,676.22	13,101,918.21	3,301,357.39	3,450,622.69	12,368,605.44	3,029,174.27	2,019,326.68
Total, Social Security Board	1,466,177,455.56	446,671,536.92	73,126,364.10	36,874,020.22	17,688,536.27	56,708,162.83	34,977,330.53	29,974,705.88
Public Health Service:								
Public health work (Title VI, sec. 601)	47,314,305.98	11,390,374.99	2,619,296.00	624,367.32	10,301.25	2,387,157.00	38,451.00	----------
Total, Federal Security Agency	1,513,491,761.54	458,061,911.91	75,745,660.10	37,498,387.54	17,698,837.52	59,095,319.83	35,015,781.53	29,974,705.88
Executive Office:								
Office for Emergency Management:								
War Manpower Commission (U. S. Employment Service) [10]	----------	----------	----------	----------	----------	----------	----------	1,268,673.43
Department of Labor:								
Maternal and child health services (Title V (1)) [14]	21,955,115.27	5,926,965.64	4,950.00	423,769.12	524,723.82	490,360.57	790,699.36	470,016.03
Services for crippled children (Title V (2))	15,693,462.23	3,996,637.20	38,673.79	483,420.82	270,410.46	283,999.50	509,135.81	180,257.30
Child welfare services (Title V (3))	7,085,673.88	1,573,390.76	81,102.75	276,445.85	19,004.00	250,287.36	113,300.04	35,991.86
Total, Department of Labor	44,734,251.38	11,496,993.60	124,726.54	1,183,635.79	814,138.28	1,024,647.43	1,413,135.21	686,295.19
Total, grants to States	1,558,226,012.92	469,558,905.51	75,870,386.64	38,682,023.33	18,512,975.80	60,119,967.26	36,428,916.74	31,929,644.50

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	Fiscal year 1943							
	January 1943	February 1943	March 1943	April 1943	May 1943	June 1943	Total fiscal year 1943	Grand total, fiscal years 1936 through 1943
EXPENDITURES—Continued								
Grants to States:								
Social Security Act:								
Federal Security Agency:								
Social Security Board:								
Old-age assistance (Title I)	$30,854,825.26	$16,392,677.33	$27,152,776.57	$38,621,032.58	$25,334,999.07	$9,595,179.16	$316,938,503.85	$1,639,219,716.65
Aid to dependent children (Title IV)	6,897,020.05	4,368,409.49	3,243,188.28	8,217,816.51	5,374,647.76	608,359.33	67,286,590.34	318,104,110.16
Aid to the blind (Title X)	870,080.89	389,297.57	767,624.01	1,013,247.32	794,256.91	144,306.53	8,492,765.58	45,837,670.46
Unemployment compensation administration (Title III) [3] [11]	10,848,150.28	157,144.00	1,732,140.92	4,650,902.00	324,243.05	150,586.00	55,134,170.93	357,539,525.91
Total, Social Security Board	49,470,076.48	21,307,528.39	32,895,729.78	52,502,998.41	31,828,146.79	10,498,431.02	447,852,030.70	2,360,701,023.18
Public Health Service:								
Public health work (Title VI, sec. 601)	2,335,713.06	38,980.25	148,866.00	2,113,882.88	296,235.65	43,405.28	10,656,655.69	69,361,336.66
Total, Federal Security Agency	51,805,789.54	21,346,508.64	33,044,595.78	54,616,881.29	32,124,382.44	10,541,836.30	458,508,686.39	2,430,062,359.84
Executive Office:								
Office for Emergency Management:								
War Manpower Commission (U. S. Employment Service) [10]	3,121,043.66	3,821,821.90	6,472,302.92	2,378,321.27	2,135,118.34	1,490,365.32	20,687,646.84	20,687,646.84
Department of Labor:								
Maternal and child health services (Title V (1)) [14]	568,908.83	604,122.85	236,262.67	485,176.81	1,114,980.09	805,055.88	6,519,026.03	34,401,106.94
Services for crippled children (Title V (2))	345,552.15	453,520.95	113,904.00	478,902.09	392,656.59	267,836.84	3,818,270.30	23,508,369.73
Child welfare services (Title V (3))	263,200.33	101,859.30	2,398.93	375,067.28	42,599.57	8,346.71	1,569,603.98	10,228,668.62
Total, Department of Labor	1,177,661.31	1,159,503.10	352,565.60	1,339,146.18	1,550,236.25	1,081,239.43	11,906,900.31	68,138,145.29
Total grants to States	56,104,494.51	26,327,833.64	39,869,464.30	58,334,348.74	35,809,737.03	13,113,441.05	491,103,233.54	2,518,888,151.97

[3] Relates to unemployment insurance benefits.
[10] Formerly included in "Unemployment Compensation Administration (Title 3)" transferred under Executive Order No. 9247.
[11] Includes expenditures made directly by the Federal Government beginning Jan. 1, 1942, for the maintenance of public employment offices.
[14] Includes expenditures under First Deficiency Appropriation Act, fiscal year 1943.

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TABLE 11.—*Receipts and expenditures of the social security program under the Social Security, Railroad Retirement, and Railroad Unemployment Insurance Acts, fiscal years 1936 through 1941 combined, fiscal year 1942, and monthly for the fiscal year 1943*—Continued

	Fiscal years 1936 through 1941	Fiscal year 1942	Fiscal year 1943					
			July 1942	August 1942	September 1942	October 1942	November 1942	December 1942
EXPENDITURES—Continued								
Refunds of taxes: [12]								
Refunds of social security taxes:								
Federal Insurance Contributions Act [1]	$1,635,387.27	$1,262,411.01	$131,605.42	$173,340.88	$123,442.10	$91,373.32	$91,718.81	$69,399.71
Federal Unemployment Tax Act: [3]								
Refunds to States [2]	40,561,886.43							
Refunds to others	5,667,216.59	2,190,546.14	144,136.38	166,664.38	134,278.73	161,345.81	78,431.25	89,040.63
Total tax on employers of 8 or more	46,229,103.02	2,190,546.14	144,136.38	166,664.38	134,278.73	161,345.81	78,431.25	89,040.63
Total refunds of social security taxes	47,864,490.29	3,452,957.15	275,741.80	340,005.26	257,720.83	252,719.13	170,150.06	158,440.34
Refunds of taxes upon carriers and their employees [1]	312,126.87	22,035.24	92.61	185.64	262.67	3,144.26	15.04	436.90
Total refunds of taxes	48,176,617.16	3,474,992.39	275,834.41	340,190.90	257,983.50	255,863.39	170,165.10	158,877.24
Transfers to trust accounts:								
Railroad retirement account [1]	498,500,000.00	140,850,000.00	112,601,000.00			33,500,000.00		
Railroad unemployment insurance administration fund transfers to unemployment trust fund (act of Oct. 10, 1940)	7,500,000.00	3,909,667.00		5,973,300.00				
Railroad unemployment insurance account: [3]								
Advance (act of June 25, 1938)	15,000,000.00							
Repayment of advance	[a] *15,000,000.00*							
Total transfers to trust accounts	506,000,000.00	144,759,667.00	112,601,000.00	5,973,300.00		33,500,000.00		
Total expenditures	2,249,512,146.67	659,340,934.61	192,187,612.72	48,537,260.78	21,907,769.66	97,288,891.78	39,565,686.64	35,431,494.65

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	Fiscal year 1943						Total fiscal year 1943	Grand total, fiscal years 1936 through 1943
	January 1943	February 1943	March 1943	April 1943	May 1943	June 1943		
EXPENDITURES—Continued								
Refunds of taxes: [12]								
Refunds of social security taxes:								
Federal Insurance Contributions Act [1]	$94,294.00	$93,981.20	$85,313.30	$138,149.86	$119,008.48	$161,219.89	$1,372,846.97	$4,270,645.25
Federal Unemployment Tax Act: [3]								
Refunds to States [2]								40,561,886.43
Refunds to others	84,669.95	82,377.67	113,028.99	84,865.96	156,902.95	152,507.25	1,448,249.95	9,306,012.68
Total tax on employers of 8 or more	84,669.95	82,377.67	113,028.99	84,865.96	156,902.95	152,507.25	1,448,249.95	49,867,899.11
Total refunds of social security taxes	178,963.95	176,358.87	198,342.29	223,015.82	275,911.43	313,727.14	2,821,096.92	54,138,544.36
Refunds of taxes upon carriers and their employees [1]			166.17	78.47	14.13	700.11	5,096.00	339,258.11
Total refunds of taxes	178,963.95	176,358.87	198,508.46	223,094.29	275,925.56	314,427.25	2,826,192.92	[13] 54,477,802.47
Transfers to trust accounts:								
Railroad retirement account [1]	34,000,000.00			34,700,000.00			214,801,000.00	854,151,000.00
Railroad unemployment insurance administration fund transfers to unemployment trust fund (act of Oct. 10, 1940)							5,973,300.00	17,382,967.00
Railroad unemployment insurance account: [3]								
Advance (act of June 25, 1938)								15,000,000.00
Repayment of advance								[a] *15,000,000.00*
Total transfers to trust accounts	34,000,000.00			34,700,000.00			220,774,300.00	871,533,967.00
Total expenditures	93,527,505.80	29,969,238.17	43,978,830.18	96,815,677.98	39,412,250.99	16,955,782.13	755,578,001.48	3,664,431,082.76

NOTE.—For statements of receipts, expenditures, and assets in railroad retirement account, unemployment trust fund, and Federal old-age and survivors insurance trust fund see ables 71, 72, and 73 on pp. 680 to 684.

[a] Excess of credits (deduct).

[1] Relates to old-age insurance benefits.

[2] Second Deficiency Appropriation Act, fiscal year 1938, approved June 25, 1938, carried an appropriation of $40,561,886.43 pursuant to authorization of Aug. 24, 1937, for making refund to certain States of portions of Federal employers' tax for 1936 collected under the Social Security Act. Also the Railroad Unemployment Insurance Act, approved June 25, 1938, appropriated to the Railroad Unemployment Insurance Administration fund amounts collected or to be collectible with respect to the calendar years 1936, 1937, 1938, and 1939, from carriers subject to the act, under sec. 901 of the Social Security Act.

[3] Relates to unemployment insurance benefits.

[12] These classifications were effective with the month of January 1940; figures for periods prior thereto are shown on the basis of checks issued as reported by the Bureau of Internal Revenue.

[13] Includes interest on refunds as follows: Social security taxes-Federal Insurance Contributions Act, $242,548.24; and Federal Unemployment Tax Act (refunds to others), $322,487.14; refunds of taxes upon carriers and the ir employees, $10,416.40.

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TABLE 12.—*Amounts appropriated and expended under authorizations contained in the Social Security Act, as amended*

Classification	Appropriations		Expenditures [2]	
	From July 2, 1942, to July 12, 1943 [1]	From August 14, 1935, to July 12, 1943 [1]	During fiscal year 1943	During fiscal years 1936 through 1943
For administrative expenses:				
Social Security Board [3]	$24,900,000.00	$193,766,160.00	$25,524,106.99	$154,615,967.00
Department of Commerce [3]	250,000.00	1,379,860.00	432,801.43	990,960.48
Department of Labor [3]	360,000.00	2,876,627.00	365,768.24	2,446,530.23
Treasury Department [4]			6,953,598.41	21,192,109.27
Total, administrative expenses	25,510,000.00	198,022,647.00	33,276,275.07	179,245,566.98
For grants to States:				
Federal Security Agency:				
Social Security Board:				
For old-age assistance	325,000,000.00	1,897,660,000.00	316,938,503.85	1,639,219,716.65
For unemployment compensation administration	[7] 11,482,526.00	401,882,526.00	55,134,170.93	357,539,525.91
For aid to dependent children	65,000,000.00	476,600,000.00	67,286,590.34	318,104,110.16
For aid to the blind	9,000,000.00	72,710,000.00	8,492,765.58	45,837,670.46
Total, Social Security Board	410,482,526.00	2,848,852,526.00	447,852,030.70	2,360,701,023.18
Public Health Service:				
For public health work	11,000,000.00	80,833,000.00	10,656,655.69	69,361,336.66
Office of Education:				
For vocational rehabilitation of persons disabled in industry [5]				
Total, Federal Security Agency	421,482,526.00	2,929,685,526.00	458,508,686.39	2,430,062,359.84
Executive Office:				
Office for Emergency Management:				
War Manpower Commission (U. S. Employment Service) [6]	[7] 24,643,974.00	24,643,974.00	20,687,646.84	20,687,646.84
Department of Labor:				
For maternal and child health services [8]	7,020,000.00	42,084,000.00	6,519,026.03	34,401,106.94
For services for crippled children	3,870,000.00	28,566,000.00	3,818,270.30	23,508,369.73
For child welfare services	1,510,000.00	12,546,000.00	1,569,603.98	10,228,668.62
Total, Department of Labor	12,400,000.00	83,196,000.00	11,906,900.31	68,138,145.29
Total, grants to States	458,526,500.00	3,037,525,500.00	491,103,233.54	2,518,888,151.97
For other purposes:				
Federal Security Agency:				
Public Health Service:				
For disease and sanitation investigation [5]				
Treasury Department:				
For Federal old-age and survivors insurance trust fund [9]	1,103,002,793.30	4,325,868,462.54	1,103,002,793.30	4,325,868,462.54
Grand total	1,587,039,293.30	7,561,416,609.54	1,627,382,301.91	7,024,002,181.49

NOTE.—For statements of receipts, expenditures, and assets in the railroad retirement account, Federal old-age and survivors insurance trust fund, and unemployment trust fund see tables 71, 72, and 73 on pp. 680 to 684.

[1] Includes appropriations for the fiscal year 1944 except in the case of the Federal old-age and survivors insurance trust fund. See footnote 9.

[2] On basis of daily Treasury statements, see p. 459.

[3] Includes only expenditures from appropriations made specifically for administrative expenses relating to the Social Security Act.

[4] Beginning Jan. 1, 1940, expenditures include estimated amounts for expenses of the Treasury Department (for which reimbursement was made to the General Fund) in connection with the Federal old-age and survivors insurance trust fund and collection of employment taxes under the provisions of sec. 201 (f) of the Social Security Act as amended. Provision for such expenditures is made in the regular annual appropriations of the Treasury Department.

[5] Funds authorized to be appropriated under the Social Security Act augment existing appropriations, and expenditures are not separately available.

[6] Formerly included in "Unemployment Compensation Administration (title 3)", transferred under Executive Order No. 9247.

[7] $23,845,474 transferred from Social Security Board, "Grants to States" for unemployment compensation administration, to War Manpower Commission (U. S. Employment Service) under Executive Order No. 9247.

[8] Includes $1,200,000 appropriated and expended under First Deficiency Appropriation Act, 1943, approved March 18, 1943.

[9] Sec. 201 (a) of the Social Security Act Amendments of 1939 provides that after June 30, 1940, amounts equivalent to 100 per centum of the taxes (including interest, penalties, and additions to the taxes), received under the Federal Insurance Contributions Act and covered into the Treasury, shall be appropriated to the Federal old-age and survivors insurance trust fund for the fiscal year 1941 and for each fiscal year thereafter. The amounts shown in this table, which are through June 30, 1943, are net of the reimbursement for administrative expenses under sec. 201 (f) of the Social Security Act Amendments of 1939, from March 1940 to June 30, 1943, in the aggregate amount of $27,492,407.40 and $93,386,305.26, respectively.

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TABLE 13.—*Panama Canal receipts and expenditures, fiscal years 1903 through 1943*

[On basis of warrants issued, see p. 459]

Year	Receipts covered into the Treasury			Expenditures			
	Tolls	Other [1]	Total	Construction, maintenance, and operation [2]	Fortifications [3]	Total general expenditures	Interest paid on Panama Canal loans
1903				$9,985.00		$9,985.00	
1904				[4] 50,164,500.00		[4] 50,164,500.00	
1905		$371,253.06	$371,253.06	3,918,819.83		3,918,819.83	
1906		380,680.10	380,680.10	19,379,373.71		19,379,373.71	
1907		1,178,949.85	1,178,949.85	27,198,618.71		27,198,618.71	
1908		1,083,761.49	1,083,761.49	38,093,929.04		38,093,929.04	$785,268.00
1909		705,402.42	705,402.42	31,419,442.41		31,419,442.41	1,319,076.58
1910		3,214,389.48	3,214,389.48	33,911,673.37		33,911,673.37	1,692,166.40
1911		1,757,284.44	1,757,284.44	37,038,994.71	$30,608.75	37,069,603.46	1,691,107.20
1912		2,982,823.92	2,982,823.92	34,285,276.50	1,036,091.08	35,321,367.58	3,000,669.60
1913		4,070,231.27	4,070,231.27	40,167,866.71	1,823,491.32	41,991,358.03	3,201,055.81
1914		698,647.87	698,647.87	31,702,359.61	3,376,900.85	35,079,260.46	3,194,105.95
1915	$3,822,085.29	308,155.98	4,130,241.27	24,677,107.29	4,767,605.38	29,444,712.67	3,199,385.05
1916	2,480,547.75	389,447.53	2,869,995.28	14,888,194.78	2,868,341.97	17,756,536.75	3,189,024.79
1917	5,746,606.45	404,062.14	6,150,668.59	16,199,262.47	3,313,532.55	19,512,795.02	3,103,250.67
1918	6,094,562.52	320,007.73	6,414,570.25	13,549,762.56	7,487,862.36	21,037,624.92	2,976,476.55
1919	6,418,705.56	358,340.99	6,777,046.55	10,954,409.74	1,561,364.74	12,515,774.48	2,984,388.33
1920	8,493,459.99	546,210.96	9,039,670.95	6,281,463.72	3,433,592.82	9,715,056.54	3,040,872.89
1921	11,310,598.62	603,762.70	11,914,361.32	16,480,390.79	2,088,007.66	18,568,398.45	2,994,776.66
1922	11,199,761.92	849,898.73	12,049,660.65	3,041,035.40	896,327.45	3,937,362.85	2,995,398.14
1923	17,229,808.14	640,177.11	17,869,985.25	3,870,503.37	950,189.20	4,820,692.57	2,997,904.81
1924	24,513,221.42	2,611,291.91	27,124,513.33	7,391,711.97	393,963.37	7,785,675.34	2,992,461.19
1925	21,399,629.39	1,504,103.05	22,903,732.44	9,300,509.73	872,689.93	10,173,199.66	2,988,918.80
1926	22,920,493.06	1,371,424.81	24,291,917.87	8,669,333.57	1,153,322.38	9,822,655.95	2,989,598.76
1927	24,239,771.10	1,654,930.35	25,894,701.45	7,863,376.03	586,043.94	8,449,419.97	2,991,988.25
1928	26,952,927.37	1,881,418.05	28,834,345.42	10,909,442.27	1,165,632.53	12,075,074.80	2,987,329.95
1929	27,054,600.07	1,776,847.17	28,831,447.24	10,220,913.25	943,985.31	11,164,898.56	3,002,235.80
1930	27,126,563.42	1,845,079.61	28,971,643.03	10,497,935.33	999,413.77	11,497,349.10	2,991,375.23
1931	24,671,943.01	1,862,644.73	26,534,587.74	10,303,755.15	916,979.29	11,220,734.44	2,992,366.45
1932	20,775,097.39	1,673,814.18	22,448,911.57	10,904,319.70	779,868.12	11,684,187.82	2,989,627.12

[1] Beginning with the fiscal year 1924, the amounts in this column include the sums received as dividends on capital stock of the Panama Railroad owned by the United States.

[2] The amounts shown in this column include the payments to the Government of Panama under the treaty of Nov. 18, 1903, of $250,000 per annum, the first payment being made during the fiscal year 1913, and similar payments continuing each year since that date until 1940, when the amount was increased to $430,000 per annum, and also includes for 1940 the amount of $2,580,000 for payments from 1934 to 1939, inclusive, at the rate of $430,000 per annum pursuant to the treaty of Mar. 2, 1936; but do not include the payment to the Government of Colombia growing out of the construction of the Panama Canal of $5,000,000 per annum during the fiscal years 1923 to 1927, inclusive, an aggregate sum of $25,000,000 as provided for under the treaty of Apr. 6, 1914. Includes expenses of civil government, Panama Canal and Canal Zone.

[3] Includes expenditures made from specific appropriations for fortifications of the canal but no expenditures from general appropriations that may have been for this purpose.

[4] This amount includes the $40,000,000 paid to the New Panama Canal Company of France for the acquisition of the property, and the $10,000,000 paid to the Republic of Panama in connection with the Canal Zone as provided for under art. 14 of the treaty of November 18, 1903.

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TABLE 13.—*Panama Canal receipts and expenditures, fiscal years 1903 through 1943*—Continued

Year	Receipts covered into the Treasury			Expenditures			
	Tolls	Other [1]	Total	Construction, maintenance, and operation [2]	Fortifications [3]	Total general expenditures	Interest paid on Panama Canal loans
1933	$19,464,173.04	$3,719,581.36	$23,183,754.40	$11,780,139.21	$614,916.00	$12,395,055.21	$2,969,049.75
1934	24,135,261.01	3,032,129.61	27,167,390.62	10,709,294.89	396,310.58	11,105,605.47	2,992,453.55
1935	23,297,587.74	1,518,944.19	24,816,531.93	10,233,789.97	294,413.20	10,528,203.17	2,986,151.55
1936	23,482,083.87	2,514,302.24	25,996,386.11	11,258,334.90	478,946.22	11,737,281.12	1,863,500.40
1937	23,231,115.36	2,170,148.65	25,401,264.01	11,879,521.47	791,939.98	12,671,461.45	1,516,514.50
1938	23,220,589.25	1,721,664.17	24,942,253.42	11,416,004.37	1,311,830.33	12,727,834.70	1,502,876.10
1939	23,690,683.82	1,297,920.25	24,988,604.07	10,737,752.67	1,742,368.04	12,480,120.71	1,491,369.00
1940	21,127,270.18	1,314,750.63	22,442,020.81	28,705,521.08	2,862,576.01	31,568,097.09	1,511,758.20
1941	18,273,099.08	2,267,000.87	20,540,099.95	44,190,365.22	5,294,885.64	49,485,250.86	1,494,333.60
1942	9,765,364.76	2,362,548.24	12,127,913.00	67,508,420.54	4,535,557.14	72,043,977.68	1,495,254.00
1943	6,863,387.24	1,715,428.32	8,578,815.56	58,277,629.48	820,703.11	59,098,332.59	1,365,660.75
Total	509,000,997.82	60,679,460.16	569,680,457.98	819,991,040.52	60,590,261.02	880,581,301.54	90,480,250.38

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TABLE 14.—*Postal receipts and expenditures, fiscal years 1789 through 1943* [1]

Year	As reported by the Post Office Department				Treasury accounts	
	Postal revenues [2]	Postal expenditures [2]		Surplus or deficit (−)	Surplus revenue paid into Treasury [4]	Grants from Treasury to cover postal deficiencies [5]
		Extraordinary expenditures as reported under act of June 9, 1930 [3]	Other			
1789–91	$91,739		$76,397	$15,342		
1792	67,443		54,530	12,913		
1793	104,746		72,039	32,707	$11,021	
1794	128,947		89,972	38,975	29,478	
1795	160,620		117,893	42,727	22,400	
1796	195,066		131,571	63,495	72,910	
1797	213,998		150,114	63,884	64,500	
1798	232,977		179,084	53,893	39,500	
1799	264,846		188,037	76,809	41,000	
1800	280,804		213,994	66,810	78,000	
1801	320,442		255,151	65,291	79,500	
1802	327,044		281,916	45,128	35,000	
1803	351,822		322,364	29,458	16,427	
1804	389,449		337,502	51,947	26,500	
1805	421,373		377,367	44,006	21,343	
1806	446,105		417,233	28,872	41,118	
1807	478,762		453,885	24,877	3,615	
1808	460,564		462,828	−2,264		
1809	506,633		498,012	8,621		
1810	551,684		495,969	55,715		
1811	587,246		499,098	88,148	38	
1812	649,208		540,165	109,043	85,040	
1813	703,154		681,011	22,143	35,000	
1814	730,370		727,126	3,244	45,000	
1815	1,043,065		748,121	294,944	135,000	
1816	961,782		804,022	157,760	149,788	
1817	1,002,973		916,515	86,458	29,372	
1818	1,130,235		1,035,832	94,403	20,070	
1819	1,204,737		1,117,861	86,876	71	
1820	1,111,927		1,160,926	−48,999	6,466	
1821	1,059,087		1,165,481	−106,394	517	
1822	1,117,490		1,167,572	−50,082	602	
1823	1,130,115		1,156,995	−26,880	111	
1824	1,197,758		1,188,019	9,739		
1825	1,306,525		1,229,043	77,482	470	
1826	1,447,703		1,366,712	80,991	300	
1827	1,524,633		1,469,959	54,674	101	
1828	1,659,915		1,689,945	−30,030	20	
1829	1,707,418		1,782,132	−74,714	87	
1830	1,850,583		1,932,708	−82,125	55	
1831	1,997,811		1,936,122	61,689	561	
1832	2,258,570		2,266,171	−7,601	245	
1833	2,617,011		2,930,414	−313,403		
1834	2,823,749		2,910,605	−86,856	100	
1835	2,993,556		2,757,350	236,206	893	
1836	3,408,323		2,841,766	566,557	11	
1837	4,101,703		3,288,319	813,385		
1838	4,238,733		4,430,662	−191,929		
1839	4,484,657		4,636,536	−151,880		
1840	4,543,522		4,718,236	−174,714		
1841	4,407,726		4,499,687	−91,960		$407,657
1842	4,546,850		5,671,063	−1,124,213		53,697
1843 [1]	4,296,225		4,374,844	−78,619		21,303
1844	4,237,288		4,298,628	−61,340		
1845	4,289,842		4,326,692	−36,850		
1846	3,487,199		4,120,518	−633,318		810,232
1847	3,880,309		4,081,128	−200,819		536,299

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TABLE 14.—*Postal receipts and expenditures, fiscal years 1789 through 1943* [1]—Con.

Year	As reported by the Post Office Department				Treasury accounts	
	Postal revenues [2]	Postal expenditures [2]		Surplus or deficit (−)	Surplus revenue paid into Treasury [4]	Grants from Treasury to cover postal deficiencies [5]
		Extraordinary expenditures as reported under act of June 9, 1930 [3]	Other			
1848	$4,555,211		$4,380,460	$174,751		$22,222
1849	4,705,176		4,477,664	227,513		
1850	5,499,985		5,213,245	286,740		
1851	6,410,604		6,278,710	131,895		
1852	5,184,527		7,107,550	−1,923,023		1,041,444
1853	5,240,725		7,983,089	−2,742,365		2,153,750
1854	6,255,586		8,608,286	−2,352,700		3,207,346
1855	6,642,136		9,968,992	−3,326,856		3,078,814
1856	6,920,822		10,407,868	−3,487,047		3,199,118
1857	7,353,952		11,507,670	−4,153,718		3,616,883
1858	7,486,793		12,721,637	−5,234,844		4,748,923
1859	7,968,484		11,457,512	−3,489,028		4,808,558
1860	8,518,067		19,170,606	−10,652,539		9,889,546
1861	8,349,296		13,601,263	−5,251,967		5,170,895
1862	8,299,821		11,125,965	−2,826,144		3,561,729
1863	11,163,790		11,306,415	−142,625		749,314
1864	12,438,254		12,843,069	−404,815		999,980
1865	14,556,159		13,638,909	917,250		250,000
1866	14,386,986		15,320,837	−933,851		
1867	15,237,027		19,209,379	−3,972,352		3,516,667
1868	16,292,601		22,837,949	−6,545,348		4,053,192
1869	17,314,176		23,677,913	−6,363,737		5,395,510
1870	18,879,537		23,977,391	−5,097,854		4,844,579
1871	20,037,045		24,395,798	−4,358,752		5,131,250
1872	21,915,426		26,664,520	−4,749,094		5,175,000
1873	22,996,742		29,125,634	−6,128,893		5,490,475
1874	26,471,072		32,228,980	−5,757,908		4,714,045
1875	26,791,314		33,611,634	−6,820,321		7,211,646
1876	28,644,198		33,291,451	−4,647,253		5,092,540
1877	27,531,585		33,658,941	−6,127,356		6,170,339
1878	29,277,517		34,182,546	−4,905,029		5,753,394
1879	30,041,983		33,457,916	−3,415,933		4,773,524
1880	33,315,479		36,537,433	−3,221,953		3,071,000
1881	36,785,398		39,607,357	−2,821,959		3,895,639
1882	41,876,410		40,622,487	1,253,924		
1883	45,508,693		43,327,340	2,181,354		74,503
1884	43,325,959		47,233,016	−3,907,057		
1885	42,560,844		50,042,254	−7,481,410		4,541,611
1886	43,948,423		51,016,918	−7,068,495		8,193,652
1887	48,837,609		52,982,628	−4,145,018		6,501,247
1888	52,695,177		56,467,643	−3,772,466		3,056,037
1889	56,175,611		62,344,716	−6,169,104		3,868,920
1890	60,882,098		66,282,862	−5,400,764		6,875,037
1891	65,931,786		73,082,396	−7,150,610		4,741,772
1892	70,930,476		77,041,452	−6,110,976		4,051,490
1893	75,896,933		81,613,722	−5,716,789		5,946,795
1894	75,080,479		85,057,994	−9,977,515		8,250,000
1895	76,983,128		87,213,570	−10,230,442		11,016,542
1896	82,499,208		90,943,410	−8,444,201		9,300,000
1897	82,665,463		94,097,042	−11,431,579		11,149,206
1898	89,012,619		98,067,170	−9,054,552		10,504,040
1899	95,021,384		101,651,520	−6,630,136		8,211,570
1900	102,354,579		107,764,937	−5,410,358		7,230,779
1901	111,631,193		115,612,714	−3,981,521		4,954,762
1902	121,848,047		124,809,217	−2,961,170		2,402,153
1903	134,224,443		138,811,420	−4,586,977		2,768,919
1904	143,582,624		152,395,394	−8,812,769		6,502,531
1905	152,826,585		167,420,972	−14,594,387		15,065,257

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TABLE 14.—*Postal receipts and expenditures, fiscal years 1789 through 1943* [1]—Con.

Year	As reported by the Post Office Department				Treasury accounts	
	Postal revenues [2]	Postal expenditures [2]		Surplus or deficit (−)	Surplus revenue paid into Treasury [4]	Grants from Treasury to cover postal deficiencies [5]
		Extraordinary expenditures as reported under act of June 9, 1930 [3]	Other			
1906	$167,932,783		$178,475,725	−$10,542,942		$12,673,294
1907	183,585,006		190,277,037	−6,692,031		7,629,383
1908	191,478,663		208,388,942	−16,910,279		12,888,041
1909	203,562,383		221,042,154	−17,479,770		19,501,062
1910	224,128,658		230,010,140	−5,881,482		8,495,612
1911	237,879,824		237,660,705	219,118		133,784
1912	246,744,016		248,529,539	−1,785,523		1,568,195
1913	266,619,526		262,108,875	4,510,651		1,027,369
1914	287,934,566		283,558,103	4,376,463	$3,800,000	
1915	287,248,165		298,581,474	−11,333,309	3,500,000	6,636,593
1916	312,057,689		306,228,453	5,829,236		5,500,000
1917	329,726,116		319,889,904	9,836,212	5,200,000	
1918	388,975,962		324,849,188	64,126,774	48,630,701	[6] 2,221,095
1919	436,239,126		362,504,274	73,734,852	89,906,000	343,511
1920	437,150,212		[7] 418,722,295	18,427,917	5,213,000	[7] 114,854
1921	463,491,275		[7] 619,634,948	−156,143,673		[7] 130,128,458
1922	484,853,541		[7] 545,662,241	−60,808,700	81,494	[7] 64,346,235
1923	532,827,925		556,893,129	−24,065,204		32,526,915
1924	572,948,778		587,412,755	−14,463,976		12,638,850
1925	599,591,478		639,336,505	−39,745,027		23,216,784
1926	659,819,801		679,792,180	−19,972,379		39,506,490
1927	683,121,989		714,628,189	−31,506,201		27,263,191
1928	693,633,921		725,755,017	−32,121,096		32,080,202
1929	696,947,578		782,408,754	−85,461,176		94,699,744
1930	705,484,098	$39,669,718	764,030,368	−98,215,987		91,714,451
1931	656,463,383	48,047,308	754,482,265	−146,066,190		145,643,613
1932	588,171,923	53,304,423	740,418,111	−205,550,611		202,876,341
1933	587,631,364	61,691,287	638,314,969	−112,374,892		117,380,192
1934	586,733,166	66,623,130	564,143,871	−44,033,835		52,003,296
1935	630,795,302	69,537,252	627,066,001	−65,807,951		63,970,405
1936	665,343,356	68,585,283	685,074,398	−88,316,324		86,038,862
1937	726,201,110	51,587,336	721,228,506	−46,614,732		41,896,945
1938	728,634,051	42,799,687	729,645,920	−43,811,556		44,258,861
1939	745,955,075	48,540,273	736,106,665	−38,691,863		41,237,263
1940	766,948,627	53,331,172	754,401,694	−40,784,239		40,870,336
1941	812,827,736	58,837,470	778,108,078	−24,117,812		30,064,048
1942	859,817,491	73,916,128	800,040,400	−14,139,037		18,308,869
1943	966,227,289	122,343,916	830,191,463	13,691,909		14,620,875

NOTE.—Figures are rounded to nearest dollar and will not necessarily add to totals.

[1] From 1789 to 1842 the fiscal year ended Dec. 31; from 1844 to date, June 30. Figures for 1843 are for a half year, Jan. 1 to June 30.

[2] Postal expenditures include adjusted losses, etc.—postal funds and expenditures from postal balances, but are exclusive of departmental expenditures in Washington, D. C., to the close of fiscal year 1922, and amounts transferred to the civil service retirement and disability fund, fiscal years 1921 to 1926, inclusive. For 1927 and subsequent years salary deductions are included in "Postal expenditures," the deductions having been paid to and deposited by disbursing clerks for credit of the retirement fund.

[3] See explanation in exhibit 92, page 456.

[4] On basis of warrants issued from 1793 to 1915, and on basis of daily Treasury statements from 1916 to date.

[5] On basis of warrants issued prior to 1922 and on basis of daily Treasury statements (see p. 459) for 1922 and thereafter. Represents advances from the General Fund of the Treasury to the Postmaster General to meet deficiencies in the postal revenues. These figures do not include any allowances for offsets on account of extraordinary expenditures or the cost of free mailings contributing to the deficiency of postal revenues certified to the Secretary of the Treasury by the Postmaster General pursuant to the act of Congress approved June 9, 1930. Excludes amounts transferred to the civil service retirement and disability fund under act of May 22, 1920 (41 Stat. 614), and amendments thereto on account of salary deductions of 2½ percent, as follows: 1921, $6,519,683.59; 1922, $7,899,006.28; 1923, $8,284,081.00; 1924, $8,679,658.60; 1925, $10,266,977.00; and 1926, $10,472,289.59. See note 2.

[6] Actual advances from General Fund were reduced by repayment of $5,800,000 from prior year advances which was carried to surplus.

[7] Exclusive of General Fund payments from the appropriation "Additional compensation Postal Service" under authority of the act approved Nov. 8, 1919, in the amounts of $35,698,400, $1,374,015, and $6,700 for the fiscal years 1920, 1921, and 1922, respectively.

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TABLE 15.—*Selected receipts and expenditures of the Government, fiscal years 1789 through 1948*

[On basis of warrants issued from 1789 to 1930, and on basis of checks issued for 1931 and subsequent years, see p. 459]

Fiscal year	Receipts from sales of public lands	Expenditures		Fiscal year	Receipts from sales of public lands	Expenditures	
		Indians	Veterans' pensions			Indians	Veterans' pensions
1789–91		$27,000	$175,814	1840	$3,292,683	$2,331,795	$2,603,950
1792		13,649	109,243	1841	1,365,627	2,594,063	2,388,496
1793		27,283	80,088	1842	1,335,798	1,201,062	1,379,469
1794		13,042	81,399	1843 [1]	897,818	581,680	843,323
1795		23,476	68,673	1844	2,059,940	1,179,279	2,030,598
1796	$4,836	113,564	100,844	1845	2,077,022	1,540,817	2,396,642
1797	83,541	62,396	92,257	1846	2,694,452	1,021,461	1,810,371
1798	11,963	16,470	104,845	1847	2,498,355	1,470,306	1,747,917
1799		20,302	95,444	1848	3,328,643	1,221,792	1,211,270
				1849	1.688,960	1,373,119	1,330,010
1800	444	31	64,131				
1801	167,726	9,000	73,533	1850	1,859,894	1,665,802	1,870,292
1802	188,628	94,000	85,440	1851	2,352,305	2,895,700	2,290,278
1803	165,676	60,000	62,902	1852	2,043,240	2,980,403	2,403,953
1804	487,527	116,500	80,093	1853	1,667,085	3,905,745	1,777,871
1805	540,194	196,500	81,855	1854	8,470,798	1,553,031	1,237,879
1806	765,246	234,200	81,876	1855	11,497,049	2,792,552	1,450,153
1807	466,163	205,425	70,500	1856	8,917,645	2,769,430	1,298,209
1808	647,939	213,575	82,576	1857	3,829,487	4,267,543	1,312,043
1809	442,252	337,504	87,834	1858	3,513,716	4,926,739	1,217,488
				1859	1,756,687	3,625,027	1,220,378
1810	696,549	177,625	83,744				
1811	1,040,238	151,875	75,044	1860	1,778,558	2,949,191	1,102,926
1812	710,428	277,845	91,402	1861	870,659	2,841,358	1,036,064
1813	835,655	167,358	86,990	1862	152,204	2,273,224	853,095
1814	1,135,971	167,395	90,164	1863	167,617	3,154,357	1,078,991
1815	1,287,959	530,750	69,656	1864	588,333	2,629,859	4,983,924
1816	1,717,985	274,512	188,804	1865	996,553	5,116,837	16,338,811
1817	1,991,226	319,464	297,374	1866	665,031	3,247,065	15,605,352
1818	2,606,565	505,704	890,720	1867	1,163,576	4,642,532	20,936,552
1819	3,274,423	463,181	2,415,940	1868	1,348,715	4,100,682	23,782,387
				1869	4,020,344	7,042,923	28,476,622
1820	1,635,872	315,750	3,208,376				
1821	1,212,966	477,005	242,817	1870	3,350,482	3,407,938	28,340,202
1822	1,803,582	575,007	1,948,199	1871	2,388,647	7,426,997	34,443,895
1823	916,523	380,782	1,780,589	1872	2,575,714	7,061,729	28,533,403
1824	984,418	429,988	1,499,327	1873	2,882,312	7,951,705	29,359,427
1825	1,216,091	724,106	1,308,811	1874	1,852,429	6,692,462	29,038,415
1826	1,393,785	743,448	1,556,594	1875	1,413,640	8,384,657	29,456,216
1827	1,495,845	760,625	976,139	1876	1,129,467	5,966,558	28,257,396
1828	1,018,309	705,084	850,574	1877	976,254	5,277,007	27,963,752
1829	1,517,175	576,345	949,594	1878	1,079,743	4,629,280	27,137,019
				1879	924,781	5,206,109	35,121,482
1830	2,329,356	622,262	1,363,297	1880	1,016,507	5,945,457	56,777,175
1831	3,210,815	930,738	1,170,665	1881	2,201,863	6,514,161	50,059,280
1832	2,623,381	1,352,420	1,184,422	1882	4,753,140	9,736,748	61,345,194
1833	3,967,683	1,802,981	4,589,152	1883	7,955,864	7,362,591	66,012,574
1834	4,857,601	1,003,953	3,364,285	1884	9,810,705	6,475,999	55,429,228
1835	14,757,601	1,706,444	1,954,711	1885	5,705,986	6,552,495	56,102,268
1836	24,877,180	4,615,141	2,882,798	1886	5,630,999	6,099,158	63,404,864
1837	6,776,237	4,348,076	2,672,162	1887	9,254,286	6,194,523	75,029,102
1838	3,081,940	5,504,191	2,156,086	1888	11,202,017	6,249,308	80,288,509
1839	7,076,447	2,528,917	3,142,884	1889	8,038,652	6,892,208	87,624,779

Footnotes at end of table.

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TABLE 15.—*Selected receipts and expenditures of the Government, fiscal years 1789 through 1943*—Continued

Fiscal year	Receipts from sales of public lands	Expenditures	
		Indians	Veterans' pensions
1890	$6,358,273	$6,708,047	$106,936,855
1891	4,029,535	8,527,469	124,415,951
1892	3,261,876	11,150,578	134,583,053
1893	3,182,090	13,345,347	159,357,558
1894	1,673,637	10.293,482	141,177,285
1895	1,103,347	9,939,754	141,395,229
1896	1,005,523	12,165,528	139,434,001
1897	864,581	13,016,802	141,053.165
1898	1,243,129	10,994,668	147,452,369
1899	1,678,247	12,805,711	139,394,929
1900	2,836,883	10,175,107	140,877,316
1901	2,965,120	10,896,073	139,323,622
1902	4,144,123	10,049,585	138,488,560
1903	8,926,311	12,935,168	138,425,646
1904	7,453,480	10,438,350	142,559,266
1905	4,859,250	14,236,074	141,773,965
1906	4,879,834	12,746,859	141,034,562
1907	7,878,811	15,163,608	139,309,514
1908	9,731.560	14,579,756	153,892,467
1909	7,700,568	15,694,618	161,710,367
1910	6,355,797	18,504,132	160,696,416
1911	5,731,637	20,933,869	157,980,575
1912	5,392,797	20,134,840	153,590,456
1913	2,910,205	20,306,159	175,085,450
1914	2,571,775	20,215,076	173,440,231
1915	2,167,136	22,130,351	164,387,942
1916	1,887,662	17,570,284	159,302,351
1917	1,892,893	30,598,093	160,318,406
1918	1,969,455	30,888,400	181,137,754
1919	1,404,705	34,593,257	221,614,781
1920	$1,910,140	$40,516,832	$213,344,204
1921	1,530,439	41,470,808	260,611,416
1922	895,391	38,500,413	252,576,848
1923	656,508	45,142,763	264,147,869
1924	522,223	46,754,026	228,261,555
1925	623,534	38,755,457	218,321.424
1926	754,253	48,442,120	207,189,622
1927	621,187	36,791,649	230,556,065
1928	384,651	36,990,808	229,401,462
1929	314,568	34,086,586	229,781,079
1930	395,744	32,066,628	220,608,931
1931	230,302	26,778,585	234,402,722
1932	170,339	26,125,092	232.521,292
1933	102,561	22,722,347	234,990,427
1934	99,336	23,372,905	319,322,034
1935	86,757	27,918.899	373,804,501
1936	74,355	28,875,773	399,065,694
1937	71,218	36,933,148	396,047,400
1938	95,649	33,378,389	402,779,083
1939	248,461	46,964,171	416,720,951
1940	117,020	[2]37,821,090	429,178,230
1941	178,246	[2]33,587,984	433,147,890
1942	89,605	[2]31,838,510	431,295,419
1943	129,206	[2]24,665,410	442,393,794

[1] From 1789 to 1842 the fiscal year ended Dec. 31; from 1844 to date, on June 30. Figures for 1843 are for a half year, Jan. 1 to June 30.

[2] Excludes interest accounts which are included in trust fund expenditures.

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TABLE 16.—*Expenses for administrative activities of the Treasury Department, classified to the extent practicable by States and Territories, fiscal year 1943*

Geographical classification	Bureau of Customs	Division of Disbursement	Bureau of Internal Revenue	Bureau of the Mint	Bureau of Narcotics	Bureau of the Public Debt
Alabama	$149,938.90		$722,882.73			$69,997.45
Arizona	273,434.19		207,006.10			10,185.47
Arkansas			436,598.34			51,615.22
California	2,142,367.91	$210,794.63	5,920,727.31	$1,195,473.00	$84,549.00	1,754,708.24
Colorado	25,491.57	88,004.23	814,297.03	898,744.00	26,938.00	88,821.27
Connecticut	1,164,825.18		1,343,654.45			104,111.46
Delaware			235,584.60			18,744.27
District of Columbia:						
Departmental	865,023.45	2,214,830.38	14,436,493.78	149,768.00	185,995.00	18,066,639.64
Field	235,164.47		691,301.24		65,908.00	34,451.68
Florida	768,974.01		1,069,849.82			47,891.59
Georgia	106,916.77	267,417.38	1,276,183.97		49,903.00	545,571.46
Idaho			232,162.32			18,049.48
Illinois	694,253.32	328,752.65	6,401,034.85		107,643.00	10,399,515.26
Indiana	31,966.66		1,687,620.12			103,186.90
Iowa			993,755.64			68,612.31
Kansas			860,932.82			51,604.93
Kentucky	82,936.11		2,082,123.00	86,035.00	56,069.00	91,059.86
Louisiana	1,077,627.91	129,547.56	1,272,789.34			94,069.18
Maine	489,156.56		357,930.48			20,058.88
Maryland	1,243,041.53		2,204,050.61		62,544.00	177,528.22
Massachusetts	3,219,852.16	107,819.99	3,255,077.33		23,836.00	3,501,316.67
Michigan	1,041,303.31		2,989,771.05		71,034.00	574,915.86
Minnesota	252,520.46	90,726.14	1,607,797.62		32,342.00	670,921.42
Mississippi			405,085.17			30,739.33
Missouri	213,267.31	234,285.62	2,324,423.46		73,637.00	1,502,317.19
Montana	446,080.71	33,289.80	289,393.96			46,964.46
Nebraska	14,430.05		674,837.26			117,813.90
Nevada			110,246.30			8,432.67
New Hampshire			263,708.62			18,466.92
New Jersey			3,246,807.70			62,076.32
New Mexico		32,369.96	190,533.57			20,219.53
New York	20,419,553.19	299,744.46	12,823,478.08	602,969.00	221,887.00	3,707,936.46
North Carolina	98,113.23		1,044,611.11			36,747.16
North Dakota	260,128.90		227,993.22			16,299.86
Ohio	559,225.92	145,108.28	4,217,437.00			2,020,139.62
Oklahoma			992,432.62			84,188.92

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Oregon	224,747.38	54,423.51	603,055.42			51,827.84
Pennsylvania	1,943,126.07	122,530.65	5,980,386.25	3,300,717.00	46,419.00	1,698,392.97
Rhode Island	126,601.27		408,817.18			22,557.62
South Carolina	54,904.37		529,755.04			22,286.28
South Dakota			231,017.71			12,232.69
Tennessee	76,722.43		917,639.41			81,313.89
Texas	2,119,920.40	195,929.81	2,888,004.44		131,130.00	775,170.96
Utah		30,867.07	306,913.67			35,727.00
Vermont	405,192.08		176,683.82			15,004.91
Virginia	340,241.73	99,560.29	1,101,246.51			719,076.28
Washington	1,026,054.20	45,095.68	1,412,168.14	36,000.00	47,023.00	71,164.33
West Virginia			641,449.45			29,776.07
Wisconsin	106,762.46		1,491,234.86			27,862.61
Wyoming			163,174.58			12,833.51
Territories:						
Alaska	98,123.05	23,039.31	16,545.00			8,006.76
Hawaii	224,324.64	21,126.22	351,318.22		8,360.00	18,531.47
Canal Zone		3,052.64				
Philippine Islands						
Puerto Rico	2,967,118.55	52,972.24	18,527.42			
Virgin Islands	76,373.12	13,486.00				
Total	45,665,805.53	4,844,774.50	95,148,549.74	6,269,706.00	1,295,217.00	47,837,684.25

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TABLE 16.—*Expenses for administrative activities of the Treasury Department, classified to the extent practicable by States and Territories, fiscal year 1943*—Continued

Geographical classification	Procurement Division	Secret Service Division	Treasurer of the United States	Other [1]	Total
Alabama		$12,217.23			$955,036.31
Arizona		4,394.79			495,020.55
Arkansas		9,236.21			497,449.77
California	$171,006.17	97,330.16	$9,579.96		11,586,536.38
Colorado	98,187.38	12,432.22			2,052,915.70
Connecticut		9,250.13			2,621,841.22
Delaware		2,301.57			256,630.44
District of Columbia:					
Departmental	5,815,221.23	635,881.88	4,787,993.24	$4,326,992.60	51,484,839.20
Field	81,298.46	718,862.26		36,904.36	1,863,890.47
Florida		16,137.29			1,902,852.71
Georgia	278,076.52	25,086.12	17,822.23		2,566,977.45
Idaho		2,250.18			252,461.98
Illinois	468,895.11	62,182.16	171,961.33		18,634,237.68
Indiana		12,869.33			1,835,643.01
Iowa		2,273.27			1,064,641.22
Kansas		2,480.17			915,017.92
Kentucky		18,959.19			2,417,182.16
Louisiana		19,904.22			2,593,938.21
Maine		1,524.18			868,670.10
Maryland		33,433.31			3,720,597.67
Massachusetts	2,030.79	38,068.58	5,308.24		10,153,309.76
Michigan		59,985.73			4,737,009.95
Minnesota		19,952.84	4,593.29		2,678,853.77
Mississippi		4,203.92			440,028.42
Missouri	162,053.08	31,829.72	14,415.86		4,556,229.24
Montana		2,460.11			818,189.04
Nebraska		15,850.13			822,931.34
Nevada		5,419.27			124,098.24
New Hampshire		3,056.25			285,231.79
New Jersey		19,864.32			3,328,748.34
New Mexico		4,595.52			247,718.58
New York	536,224.09	235,378.76	19,437.47		38,866,608.51
North Carolina		13,278.24			1,192,749.74
North Dakota		1,764.19			506,186.17
Ohio	12,747.44	61,414.12	7,876.97		7,023,949.35
Oklahoma		17,868.73			1,094,490.27

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Oregon		4,967.69			939,021.84
Pennsylvania		51,144.12	5,329.45		13,148,045.51
Rhode Island		4,869.01			562,845.08
South Carolina		5,335.25			612,280.94
South Dakota		1,417.32			244,667.72
Tennessee		10,551.54			1,086,227.27
Texas	14,871.06	60,587.23	12,400.13		6,198,014.03
Utah		4,159.37			377,667.11
Vermont		1,360.24			598,241.05
Virginia		11,593.66	7,552.03		2,279,270.5
Washington	22,242.44	55,102.23			2,714,850.02
West Virginia		1,500.81			672,726.33
Wisconsin		6,965.79			1,632,825.72
Wyoming		1,901.26			177,909.35
Territories:					
Alaska					145,714.12
Hawaii					623,660.55
Canal Zone					3,052.64
Philippine Islands					
Puerto Rico	38,839.06				3,077,457.27
Virgin Islands					89,859.12
Total	7,701,692.83	2,455,451.82	5,064,270.20	[1] 4,363,896.96	220,647,048.83

NOTE.—Figures in this statement are principally on the basis of checks issued.

[1] Includes administrative expenses of the following offices: Bureau of Accounts, Bureau of Engraving and Printing (exclusive of production costs), Comptroller of the Currency, Division of Personnel, Foreign Funds Control, General Counsel, Office of the Chief Clerk, Office of the Secretary, Division of Research and Statistics, Superintendent of Treasury Buildings, and U. S. Processing Tax Board of Review.

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TABLE 17.—*Expenses of the Internal Revenue Service, fiscal year 1943*

[On basis of checks issued, see p. 460]

PART A. RECAPITULATION

Appropriation	Salaries	Travel expenses	Rent	Miscellaneous	Total
Collecting the Internal Revenue, 1943:					
Collectors	$38,982,365.12	$1,380,551.18	$347,562.09	$1,098,668.60	$41,809,146.99
Agents	18,265,902.86	673,838.67	464,835.44	166,400.69	19,570,977.66
Supervisors	11,535,531.85	907,451.97	165,638.73	541,671.91	13,150,294.46
Technical Staff, field forces	1,843,663.54	23,319.14	327,281.22	52,672.48	2,246,936.38
Chief Counsel, field forces	877,180.37	23,632.91			900,813.28
Departmental service and field forces operating from Washington	13,032,637.35	462,129.38	74,154.00	2,092,985.90	15,661,906.63
Subtotal	84,537,281.09	3,470,923.25	1,379,471.48	3,952,399.58	93,340,075.40
Salaries and administrative expenses for refunding processing and related taxes and administering Title III, Revenue Act of 1936, 1943	270,246.44	16,387.71		8,731.25	295,365.40
Emergency fund for the President, national defense, allotment to Treasury, Internal Revenue, 1942 and 1943		10,009.70			10,009.70
Appropriations prior to 1943	233,188.92	364,752.48	94,750.99	810,406.85	1,503,099.24
Total	85,040,716.45	3,862,073.14	1,474,222.47	4,771,537.68	95,148,549.74

PART B. DISBURSEMENTS FOR COLLECTORS OF INTERNAL REVENUE FROM THE APPROPRIATION "COLLECTING THE INTERNAL REVENUE, 1943"

District	Salaries of collectors, deputies, clerks, etc.	Travel expenses	Rent	Miscellaneous	Total
Alabama	$363,978.03	$27,159.67	$500.00	$9,568.44	$401,206.14
Arizona	157,009.45	14,258.93		3,174.23	174,442.61
Arkansas	236,473.86	28,020.64	301.61	6,823.34	271,619.45
California:					
First district	1,218,231.22	46,119.70	1,123.47	27,879.50	1,293,353.89
Sixth district	1,588,072.89	47,530.33	30,491.51	54,319.86	1,720,414.59
Colorado	334,390.52	16,783.71	970.81	8,430.45	360,575.49
Connecticut	754,486.56	14,778.30	3,055.50	31,478.78	803,799.14
Delaware	112,222.57	4,395.43	425.81	2,475.37	119,519.18
Florida	483,396.30	31,223.84	679.80	16,993.74	532,293.68
Georgia	438,509.39	38,164.40	7,251.42	13,991.50	497,916.71
Hawaii	182,695.57	4,770.44		3,153.58	190,619.59
Idaho	163,372.08	12,101.58	593.60	7,272.38	183,339.64
Illinois:					
First district	2,240,972.35	27,216.91	32,244.00	51,919.43	2,352,352.69
Eighth district	775,761.75	44,232.31	897.43	18,021.86	838,913.35
Indiana	900,944.00	30,528.58	4,174.50	30,038.50	965,685.58
Iowa	705,140.51	23,360.15	1,309.10	15,139.97	744,949.73
Kansas	483,884.11	37,081.48	2,409.90	13,304.07	536,679.56
Kentucky	474,006.92	31,406.48	4,173.20	11,965.39	521,551.99
Louisiana	388,784.89	21,511.11	2,025.00	17,319.29	429,640.29
Maine	257,660.11	27,930.43	16.50	6,462.41	292,069.45
Maryland	1,053,060.12	14,044.40	412.50	23,013.00	1,090,530.02
Massachusetts	1,491,020.80	10,882.35	24,796.04	37,242.82	1,563,942.01
Michigan	1,548,946.96	47,244.21	10,103.03	42,353.94	1,648,648.14
Minnesota	807,809.62	38,256.14		19,653.80	865,719.56
Mississippi	220,309.22	21,887.40	1,114.16	5,734.08	249,044.86
Missouri:					
First district	626,670.17	20,689.21	1,749.35	7,528.52	656,637.25
Sixth district	424,399.97	27,669.18	5,678.54	11,845.35	469,593.04
Montana	203,717.34	18,670.45	594.08	6,547.40	229,529.27
Nebraska	370,695.50	33,866.77	60.00	7,002.29	411,624.56
Nevada	85,091.74	3,913.44		1,833.41	90,838.59
New Hampshire	185,845.54	8,771.24	770.00	4,046.18	199,432.96
New Jersey:					
First district	362,721.73	6,551.86		7,328.88	376,602.47
Fifth district	1,284,632.78	14,416.02	4,507.98	33,794.30	1,337,351.08
New Mexico	126,167.47	13,096.92		4,480.89	143,745.28
New York:					
First district	1,480,546.74	3,292.72	66,391.21	80,432.61	1,630,663.28
Second district	1,130,075.73	1,446.90	11,192.02	30,059.75	1,172,774.40
Third district	1,159,562.97	308.10	21,123.63	34,531.80	1,215,526.50
Fourteenth district	921,283.50	17,652.45	6,062.72	22,820.59	967,819.26
Twenty-first district	451,504.93	12,342.46	347.50	8,624.99	472,819.88
Twenty-eighth district	741,267.10	13,937.70	1,017.64	15,245.59	771,468.03

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TABLE 17.—*Expenses of the Internal Revenue Service, fiscal year 1943*—Continued

PART B. DISBURSEMENTS FOR COLLECTORS OF INTERNAL REVENUE FROM THE APPROPRIATION "COLLECTING THE INTERNAL REVENUE, 1943"—Continued

District	Salaries of collectors, deputies, clerks, etc.	Travel expenses	Rent	Miscellaneous	Total
North Carolina	$449,911.76	$31,114.68	$1,000.00	$15,474.89	$497,501.33
North Dakota	163,473.82	12,283.60	901.56	4,771.48	181,430.46
Ohio:					
First district	520,888.22	5,538.96	2,720.00	8,570.09	537,717.27
Tenth district	338,618.75	13,668.65	675.00	6,923.38	359,885.78
Eleventh district	356,150.02	15,392.84	2,275.13	9,103.72	382,921.71
Eighteenth district	1,071,239.95	32,275.21	34,132.92	55,611.56	1,193,259.64
Oklahoma	440,026.05	40,918.73	679.08	13,358.46	494,982.32
Oregon	391,057.92	16,885.40	2,184.69	7,487.16	417,615.17
Pennsylvania:					
First district	1,476,728.51	34,085.66	12,559.16	38,955.61	1,562,328.94
Twelfth district	379,415.36	11,328.08	1,028.20	9,148.32	400,919.96
Twenty-third district	923,634.93	21,768.12	6,700.42	12,575.22	964,678.69
Rhode Island	283,638.38	3,126.92	----------	7,670.38	294,435.68
South Carolina	206,818.04	17,309.65	914.10	11,565.14	236,606.93
South Dakota	164,816.37	18,329.40	505.00	5,330.45	188,981.22
Tennessee	436,421.35	24,256.41	991.67	13,430.13	475,099.56
Texas:					
First district	706,805.17	35,231.52	128.00	20,883.46	763,048.15
Second district	712,076.19	37,656.27	6,378.22	15,213.81	771,324.49
Utah	151,948.08	6,977.35	----------	5,799.37	164,724.80
Vermont	135,135.95	8,338.42	1,248.00	3,838.79	148,561.16
Virginia	544,043.75	40,998.78	----------	18,103.37	603,145.90
Washington	749,804.74	31,061.31	18,750.98	15,114.72	814,731.75
West Virginia	375,751.65	22,061.06	22.50	9,542.21	407,377.42
Wisconsin	948,537.48	32,833.18	4,993.90	32,580.87	1,018,945.43
Wyoming	120,099.67	9,596.64	210.00	3,763.73	133,670.04
Total	38,982,365.12	1,380,551.18	347,562.09	1,098,668.60	41,809,146.99

PART C. DISBURSEMENTS FOR INTERNAL REVENUE AGENTS FROM THE APPROPRIATION "COLLECTING THE INTERNAL REVENUE, 1943"

Division	Salaries of agents, clerks, etc.	Travel expenses	Rent	Miscellaneous	Total
Atlanta	$215,374.09	$11,688.75	----------	$1,377.61	$228,440.45
Baltimore	667,953.67	9,431.83	$27,592.10	6,772.36	711,749.96
Boston	814,661.41	17,574.95	28,452.82	6,841.61	867,530.79
Brooklyn	672,210.93	84,374.04	14,012.90	6,095.56	776,693.43
Buffalo	398,645.64	9,152.15	7,505.73	3,709.71	419,013.23
Chicago	1,290,326.22	15,512.97	52,478.80	15,748.04	1,374,066.03
Cincinnati	331,645.71	16,021.40	----------	2,149.60	349,816.71
Cleveland	625,507.03	20,733.79	32,095.50	6,225.62	684,561.94
Columbia	112,999.94	7,026.79	1,914.17	1,199.54	123,140.44
Dallas	776,130.82	47,127.03	3,209.12	7,337.93	833,804.90
Denver	223,080.63	8,556.01	1,664.00	2,402.93	235,703.57
Detroit	656,750.61	20,069.03	45,876.58	7,393.62	730,089.84
Greensboro	253,646.07	22,770.99	8,227.01	2,604.79	287,248.86
Honolulu	59,007.43	3,545.52	----------	540.94	63,093.89
Huntington	135,495.88	7,697.38	1,872.83	1,458.98	146,525.07
Indianapolis	284,571.44	15,931.72	195.00	2,272.98	302,971.14
Jacksonville	302,438.04	16,670.42	605.00	2,951.02	322,664.48
Los Angeles	738,096.80	19,184.58	2,013.00	6,412.60	765,706.98
Louisville	197,145.32	10,879.85	1,587.20	1,090.52	210,702.89
Milwaukee	292,560.53	9,950.32	3,252.63	2,956.06	308,719.54
Nashville	261,669.07	12,747.97	5,916.95	2,395.42	282,729.41
Newark	740,399.56	7,430.44	25,089.99	9,017.42	781,937.41
New Haven	422,937.32	8,868.40	18,206.73	4,781.55	454,794.00
New Orleans	288,673.19	20,358.78	1,205.04	3,308.69	313,545.70
New York:					
Second division	1,530,028.65	14,088.00	72,580.42	13,058.27	1,629,755.34
Upper division	1,403,137.08	12,453.04	1,921.66	8,236.01	1,425,747.79
Oklahoma City	318,225.27	30,058.33	5,352.74	3,204.47	356,840.81
Omaha	312,576.89	14,801.93	10,474.67	2,619.35	340,472.84
Philadelphia	845,785.53	25,577.21	21,208.37	7,075.86	899,646.97
Pittsburgh	551,393.05	12,641.33	26,587.50	3,163.07	593,784.95
Richmond	232,431.34	14,339.20	1,416.67	1,835.96	250,023.17
Salt Lake City	161,811.81	11,833.56	----------	1,898.29	175,543.66
San Francisco	620,024.26	24,295.37	23,438.25	5,475.42	673,233.30
Seattle	342,334.64	16,586.79	1,306.80	3,837.77	364,066.00
Springfield	174,571.45	21,095.75	7,837.50	1,879.91	205,384.61
St. Louis	505,285.87	14,464.06	220.00	3,248.47	523,218.40
St. Paul	307,397.75	20,695.77	1,542.76	2,056.53	331,692.81
Wichita	198,971.92	17,603.22	7,975.00	1,766.21	226,316.35
Total	18,265,902.86	673,838.67	464,835.44	166,400.69	19,570,977.69

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TABLE 17.—*Expenses of the Internal Revenue Service, fiscal year 1943*—Continued

PART D. DISBURSEMENTS FOR DISTRICT SUPERVISORS' OFFICES FROM THE APPROPRIATION "COLLECTING THE INTERNAL REVENUE, 1943"

District	Salaries of supervisors, clerks, etc.	Travel expenses	Rent	Miscellaneous	Total
Boston	$737,975.86	$41,248.30	$29,892.54	$27,049.83	$836,166.53
New York	940,586.08	47,625.52	63,709.94	54,543.01	1,106,464.55
Philadelphia	1,008,387.86	45,306.05	5,974.76	28,843.40	1,088,512.07
Newark	534,348.23	15,982.78	26,855.54	19,523.50	596,710.05
Baltimore	1,135,626.75	97,183.98	4,849.12	53,328.22	1,290,988.07
Atlanta	678,821.49	95,057.31	10,433.42	74,434.66	858,746.88
Louisville	1,326,932.46	70,608.36	1,306.72	32,638.40	1,431,485.94
Detroit	684,045.49	59,279.12	5,077.18	36,087.37	784,489.16
Chicago	1,458,641.27	98,109.40	10,149.17	51,094.40	1,617,994.24
New Orleans	638,303.82	74,154.93	2,779.31	36,356.68	751,594.74
Kansas City	563,359.55	88,773.29	1,972.11	36,803.08	690,908.03
St. Paul	366,005.17	53,385.38	642.58	27,926.85	447,959.98
Denver	178,814.42	22,437.73	586.67	12,866.89	214,705.71
San Francisco	983,895.67	61,950.68	1,362.17	34,681.94	1,081,890.46
Honolulu	43,984.48	2,822.95	----------	1,976.79	48,784.22
Seattle	255,803.25	33,526.19	47.50	13,516.89	302,893.83
Total	11,535,531.85	907,451.97	165,638.73	541,671.91	13,150,294.46

PART E. DISBURSEMENTS FOR TECHNICAL STAFF, FIELD DIVISIONS, FROM THE APPROPRIATION "COLLECTING THE INTERNAL REVENUE, 1943"

Division	Salaries of Technical Staff field employees	Travel expenses	Rent	Miscellaneous	Total
Atlantic	$118,550.88	$1,414.21	$4,808.10	$2,494.89	$127,268.08
Central	194,383.37	2,951.72	35,846.57	6,846.65	240,028.31
Chicago	216,476.23	2,492.04	32,061.56	6,436.71	257,466.54
Eastern	262,370.11	2,514.25	55,475.92	4,985.21	325,345.49
New England	96,481.51	885.40	19,620.00	3,964.41	120,951.32
New York	373,274.86	1,556.78	96,146.60	9,923.54	480,901.78
Pacific	169,938.54	3,338.77	16,680.51	6,135.28	196,093.10
Southern	111,653.28	2,647.07	17,239.65	4,013.95	135,553.95
Southwestern	174,663.43	3,845.20	34,578.98	4,924.35	218,011.96
Western	125,871.33	1,673.70	14,823.33	2,947.49	145,315.85
Total	1,843,663.54	23,319.14	327,281.22	52,672.48	2,246,936.38

PART F. DISBURSEMENTS FOR CHIEF COUNSEL, FIELD DIVISIONS, FROM THE APPROPRIATION "COLLECTING THE INTERNAL REVENUE, 1943"

Division	Salaries of Chief Counsel field employees	Travel expenses	Total
Atlantic	$52,893.67	$1,150.66	$54,044.33
Central	78,120.93	3,044.55	81,165.48
Chicago	126,187.32	2,644.62	128,831.94
Eastern	108,472.13	3,333.53	111,805.66
New England	41,835.77	296.20	42,131.97
New York	202,826.52	1,728.79	204,555.31
Pacific	96,992.16	4,639.40	101,631.56
Southern	50,307.18	2,180.83	52,488.01
Southwestern	75,686.56	3,263.93	78,950.49
Western	43,858.13	1,350.40	45,208.53
Total	877,180.37	23,632.91	900,813.28

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TABLE 17.—*Expenses of the Internal Revenue Service, fiscal year 1943*—Continued

PART G. DISBURSEMENTS BY THE CHIEF DISBURSING OFFICER, DIVISION OF DISBURSEMENT, TREASURY DEPARTMENT

Appropriation	Salaries	Travel	Rent	Miscellaneous	Total
Collecting the internal revenue, 1943	$13,032,637.35	$462,129.38	$74,154.00	$2,092,985.90	$15,661,906.63
Salaries and administrative expenses for refunding processing and related taxes and administering Title III, Revenue Acts of 1936, 1943	270,246.44	16,387.71	----------	8,731.25	295,365.40
Total	13,302,883.79	478,517.09	74,154.00	2,101,717.15	15,957,272.03

PART H. DISBURSEMENTS IN THE FISCAL YEAR 1943 FROM APPROPRIATIONS FOR YEARS PRIOR TO 1943

Appropriation	Salaries	Travel expenses	Rent	Miscellaneous	Total
Collecting the internal revenue, 1942	$230,937.13	$358,104.13	$94,483.75	$793,826.84	$1,477,351.85
Collecting the internal revenue, 1941	1,425.02	−229.71	−.23	707.66	1,902.74
Salaries and administrative expenses for refunding processing and related taxes and administering Title III, Revenue Acts of 1936, 1942	811.56	6,904.36	267.47	10,571.17	18,554.56
Salaries and administrative expenses for refunding processing and related taxes and administering Title III, Revenue Acts of 1936, 1941	15.21	−31.10	----------	5,301.18	5,285.29
Salaries and expenses, Basic Permit and Trade Practice Division, Bureau of Internal Revenue, 1941	----------	4.80	----------	----------	4.80
Total	233,188.92	364,752.48	94,750.99	810,406.85	1,503,099.24

CLAIMS APPROVED FOR PAYMENT FROM THE REFUNDING APPROPRIATIONS

Appropriation	1942 and prior years, obligated in 1943	1943 and prior years, obligated in 1943	Total
Refunding taxes illegally collected	$13,658,803.61	$43,306,323.44	$56,965,127.05
Refunds and payments of processing and related taxes, Bureau of Internal Revenue, 1943	----------	----------	6,752,955.69

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WAR ACTIVITIES PROGRAM

TABLE 18.—*Appropriations and net contract authorizations for the war activities program, as of June 30, 1943* [1]

Date approved	Public Law No.	Title of act or program	Appropriations	Net contract authorizations [2]
		76th Congress, Third Session		
Mar. 25, 1940	442	Treasury Department Appropriation Act, 1941	$53, 965, 035. 00	
Apr. 18, 1940	459	Independent Offices Appropriation Act, 1941	149, 500, 000. 00	
May 14, 1940	508	Justice Department Appropriation Act, 1941 (Title III)	2, 488, 000. 00	
June 11, 1940	588	Navy Department Appropriation Act, 1941	1, 308, 171, 138. 00	
June 13, 1940	611	Military Appropriation Act, 1941	1, 499, 323, 322. 00	
June 18, 1940	640	Interior Department Appropriation Act, 1941	495, 000. 00	
June 24, 1940	653	War Department Civil Appropriation Act, 1941	15, 000, 000. 00	
June 26, 1940	667	Civil Activities National Defense Appropriation Act, 1941	1, 474, 901, 057. 00	
June 26, 1940	[3] 88	Emergency Relief Appropriation Act, 1941 (refugee relief)	50, 000, 000. 00	
June 27, 1940	668	Second Deficiency Appropriation Act, 1940	17, 656, 900. 00	
July 18, 1940	[3] 94	Public Resolution (War Risk Insurance Fund)	40, 000, 000. 00	
Sept. 9, 1940	781	Second Supplemental National Defense Appropriation Act, 1941	2, 497, 016, 392. 00	
Sept. 24, 1940	[3] 99	Public Resolution (War Department—military posts and acquisition of land)	338, 263, 902. 00	
Oct. 8, 1940	800	Third Supplemental National Defense Appropriation Act, 1941	1, 323, 414, 082. 00	
Oct. 9, 1940	812	First Supplemental Civil Functions Appropriation Act, 1941	148, 821, 000. 00	
Oct. 14, 1940	[3] 106	Public Resolution (national defense housing)	75, 000. 000. 00	
		Total, 76th Congress, Third Session	8, 994, 015, 828. 00	
		77th Congress, First Session		
Feb. 6, 1941	5	Joint Resolution (emergency ship construction)	313, 500, 000. 00	
Feb. 13, 1941	6	Joint Resolution (clothing and equipage—War Department)	175, 000. 000. 00	
Mar. 1, 1941	9	Urgent Deficiency Appropriation Act, 1941	6, 047, 775. 00	
Mar. 17, 1941	13	Fourth Supplemental National Defense Appropriation Act, 1941	1, 376, 464, 602. 00	
Mar. 27, 1941	23	Defense Aid Supplemental Appropriation Act, 1941	7, 000, 000, 000. 00	
Apr. 1, 1941	25	First Deficiency Appropriation Act, 1941	114, 458, 468. 00	
Apr. 5, 1941	28	Independent Offices Appropriation Act, 1942	399, 360, 000. 00	
Apr. 5, 1941	29	Fifth Supplemental National Defense Appropriation Act, 1941	2, 293, 227, 920. 00	
May 6, 1941	48	Navy Department Appropriation Act, 1942	3, 415, 521, 750. 00	
May 23, 1941	71	War Department Civil Appropriation Act, 1942	37, 920, 370. 00	
May 24, 1941	73	Additional Urgent Deficiency Appropriation Act, 1941	168, 556, 000. 00	
May 31, 1941	88	Treasury Department Appropriation Act, 1942	62, 193, 150. 00	
June 28, 1941	135	Justice, State, and Commerce Departments Appropriation Act, 1942	129, 227, 750. 00	
June 28, 1941	136	Interior Department Appropriation Act, 1942	2, 035, 000. 00	
June 30, 1941	139	Military Appropriation Act, 1942	10, 384, 821, 624. 00	
July 1, 1941	146	Labor—Federal Security Appropriation Act, 1942	173, 168, 500. 00	
July 3, 1941	150	Second Deficiency Appropriation Act, 1941	998, 894, 561. 00	
Aug. 25, 1941	247	First Supplemental National Defense Appropriation Act, 1942	6, 580, 012, 448. 00	

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Oct. 28, 1941	282	Second Supplemental National Defense Appropriation Act, 1942:		
		(Title I)	5,985,000,000.00	[4] $600,000,000.00
		(Title II)	159,005,585.00	
Nov. 19, 1941	295	Defense Highway Act of 1941		47,000,000.00
Dec. 17, 1941	353	Third Supplemental National Defense Appropriation Act, 1942	9,112,021,947.00	60,000,000.00
Dec. 23, 1941	371	Joint Resolution (War, Philippine relief, and defense housing)	510,000,000.00	
		Total, 77th Congress, First Session	49,396,437,450.00	707,000,000.00
		77th Congress, Second Session		
Jan. 30, 1942	422	Fourth Supplemental National Defense Appropriation Act, 1942	12,525,872,474.00	
Feb. 7, 1942	441	Naval Appropriation Act, 1943 [5]	23,738,865,474.00	[6] 2,400,000,000.00
Feb. 12, 1942	452	Joint Resolution (financial aid to China)	500,000,000.00	
Feb. 21, 1942	463	First Deficiency Appropriation Act, 1942	135,203,320.69	
Mar. 5, 1942	474	Fifth Supplemental National Defense Appropriation Act, 1942	30,412,737,900.00	
Apr. 28, 1942	527	War Department Civil Appropriation Act, 1943	57,886,985.00	
Apr. 28, 1942	528	Sixth Supplemental National Defense Appropriation Act, 1942	18,932,124,093.00	40,400,000.00
June 5, 1942	572	Joint Resolution (War Risk Insurance Fund)	210,000,000.00	
June 19, 1942	616	Joint Resolution (education and training)	9,500,000.00	
June 23, 1942	626	Seventh Supplemental National Defense Appropriation Act, 1942 [7]	655,074,740.00	150,000,000.00
June 27, 1942	630	Independent Offices Appropriation Act, 1943	1,052,812,003.66	
July 2, 1942	644	Justice, State, and Commerce Departments Appropriation Act, 1943	261,908,180.00	
July 2, 1942	645	Interior Department Appropriation Act, 1943	8,977,370.00	
July 2, 1942	646	Public Law (Federal Works Agency—public roads)		35,000,000.00
July 2, 1942	647	Labor—Federal Security Appropriation Act, 1943	227,726,864.00	
July 2, 1942	648	Second Deficiency Appropriation Act, 1942	10,415,077.72	
July 2, 1942	649	Military Appropriation Act, 1943	42,820,003,067.00	
July 2, 1942	650	War Housing and Public Works Appropriation Act, 1942	32,500,000.00	
July 25, 1942	678	First Supplemental National Defense Appropriation Act, 1943	1,845,234,990.47	
Oct. 26, 1942	763	Second Supplemental National Defense Appropriation Act, 1943 [8]	6,299,361,448.40	[6] 8,827,985,099.41
		Total, 77th Congress, Second Session	139.736,203,987.94	11,453,385,099.41
		78th Congress, First Session		
Mar. 2, 1943	3	Joint Resolution (Selective Service System)	21,160,000.00	
Mar. 18, 1943	11	First Deficiency Appropriation Act, 1943	4,063,948.984.28	2,075,994,622.00
Mar. 31, 1943	20	Supplemental Naval Appropriation Act, 1943	3,836,176,119.00	50,000,000.00
Apr. 29, 1943	45	Joint Resolution (farm labor program)	26,100,000.00	
May 7, 1943	50	Joint Resolution (Commerce Department—war training program)	3,500,000.00	
June 2, 1943	64	War Department Civil Appropriation Act, 1944	1,457,898.00	
June 14, 1943	70	Defense Aid Supplemental Appropriation Act, 1943	6,273,629,000.00	
June 26, 1943	90	Independent Offices Appropriation Act, 1944	1,395,013,569.00	
June 26, 1943	92	Naval Appropriation Act, 1944	[9] 27,637,226,198.00	[6] 5,389,000,000.00
		Total, 78th Congress, First Session	43,258,211,768.28	7,514,994,622.00

Footnotes at end of table.

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TABLE 18.—*Appropriations and net contract authorizations for the war activities program, as of June 30, 1943* [1]—Continued

Date approved	Public Law No.	Title of act or program	Appropriations	Net contract authorizations [2]
		Appropriations pending on June 30, 1943 [10]		
July 1, 1943	105	Departments of State, Justice, and Commerce Appropriation Act, 1944	$67,635,000.00	
July 1, 1943	108	Military Appropriation Act, 1944	59,034,839,673.00	
July 12, 1943	129	Department of Agriculture Appropriation Act, 1944	38,048,000.00	
July 12, 1943	132	Urgent Deficiency Appropriation Act, 1943	31,979,600.00	
July 12, 1943	133	Interior Department Appropriation Act, 1944	14,884,000.00	
July 12, 1943	135	Labor-Federal Security Appropriation Act, 1944	307,953,500.00	
July 12, 1943	139	National War Agencies Appropriation Act, 1944	2,911,697,224.00	$18,000,000.00
July 12, 1943	140	Second Deficiency Appropriation Act, 1943	151,340,087.67	
		Total pending	62,558,377,084.67	18,000,000.00
		Summary		
		Total, 76th Congress, Third Session	8,994,015,828.00	
		Total, 77th Congress, First Session	49,396,437,450.00	707,000,000.00
		Total, 77th Congress, Second Session	139,736,203,987.94	11,453,385,099.41
		Total, 78th Congress, First Session	43,258,211,768.28	7,514,994,622.00
		Permanent appropriations and net transfers from other than war activities appropriations [11]	103,343,523.49	
		Total approved	241,488,212,557.71	[2] [6] 19,675,379,721.41
		Total pending	[10] 62,558,377,084.67	18,000,000.00
		Liquidations of 1940 and prior contract authorizations	−467,872,846.00	
		Total approved and pending appropriations and net contract authorizations, exclusive of Reconstruction Finance Corporation	303,578,716,796.38	[6] 19,693,379,721.41

[1] Consists of appropriations and net contract authorizations available on and after July 1, 1940. Excludes: (1) authorizations of the Reconstruction Finance Corporation and its subsidiaries for war purposes, and (2) unexpended balances of appropriations on June 30, 1940 (except immediately available funds in fiscal year 1941 appropriations), available for expenditure in the fiscal year 1941.

[2] Contract authorizations have been reduced by later appropriations which were earmarked in authorizing acts for this purpose.

[3] Public resolution number.

[4] Represents the net amount of contractual authority that the President may authorize the head of any department or agency of the Government to enter into for the procurement of defense articles, information or services for the government of any country whose defense the President deems vital to the defense of the United States.

[5] Includes $9,693,525,500 appropriated for the fiscal year 1942.

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[6] Total net contract authorizations differ from amounts reflected in the daily Treasury statement for July 15, 1943, in order to include the latest revised estimates of the Navy Department as of June 30, 1943. Unappropriated contract authorizations for the naval expansion program are as follows:

Date approved	Public Law No.	Amount	
Feb. 7, 1942	441		$2,400,000,000.00
Oct. 26, 1942	763	(Estimated by the Navy Department)	8,827,985,099.41
June 26, 1943	92	(Estimated by the Navy Department)	3,389,000,000.00
		Total	14,616,985,099.41

[7] Includes $650,000 for the fiscal year 1941 and $209,440,000 for the fiscal year 1943, of which $440,000 was made immediately available.

[8] Includes $7,851,460 appropriated for the fiscal year 1942.

[9] Includes $30,000,000 for the fiscal year 1942 and $172,439,000 for the fiscal year 1943.

[10] The acts shown as pending had not yet become law on June 30, 1943. The amounts shown are those finally approved, and therefore will not necessarily agree with the amounts of appropriation bills shown in the daily Treasury statement of July 15, 1943.

[11] Includes actual transfer of balances of the Bureau of Marine Inspection and Navigation from the Department of Commerce to Coast Guard, Navy, in the amount of $1,153,802 in accordance with Executive Order 9083, dated Feb. 28, 1942. Also includes $3,338,030.63 received as war contributions under authority of the Second War Powers Act and deposits of advance payments made by foreign governments to the Defense Aid Special Fund for the procurement of defense articles amounting to $36,124,857.88.

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TABLE 19.—*Appropriations, contract authorizations, and expenditures under the war activities program, July 1, 1940, through June 30, 1943* [1]

[In millions]

Organization	Appropriations [2]					Contract authorizations (net) [3]				Pending appropriations [4]		Total appropriations and net contract authorizations (approved and pending)	Expenditures (daily Treasury statement basis)			
	Fiscal year 1941	Fiscal year 1942	Fiscal year 1943	Fiscal year 1944	Total	Fiscal year 1942	Fiscal year 1943	Fiscal year 1944	Total	Appropriations	Contract authorizations		Fiscal year 1941	Fiscal year 1942	Fiscal year 1943	Total
War Department	[5] $12,005	$78,398	$42,216	$1	$132,621					$59,035		$191,657	$3,678	$14,070	$42,265	[6] $60,013
Navy Department	4,488	20,808	24,029	27,435	[7] 76,760	$2,615	[7] $12,267	$2,000	$16,882	1		93,643	2,313	8,580	20,888	31,781
Agriculture Department	104	1,775	2,505		4,385					38		4,423	3	696	2,011	2,710
Federal Security Agency: [8]																
Office of Education	76	131	156		362					131		494	60	106	141	307
Other	3	15	15		33					57		90	1	5	13	19
Federal Works Agency:																
Public Roads Administration		87	45	88	220	82	35		117			338		16	96	112
Public Works (community facilities)		300	18		318					50		368		34	114	148
Other		27	7		35							35		12	4	16
National Housing Agency	[9] 345	570	615		1,530					100		1,630	45	297	608	950
Selective Service (administrative expenses)	25	37	56		118					3		121	18	33	52	103
Treasury Department	321	1,481	2,260		4,062							4,062	24	519	1,201	1,744
United States Maritime Commission	1,077	2,763	4,603	1,290	9,732		2,076		2,076			11,808	51	929	2,776	3,756
War Shipping Administration		701	2,396		3,097					2,272		5,370		132	1,105	1,237
Aid to China		500			500							500		200	40	240
Other:																
Commerce Department	89	199	283		571					30		601	30	122	137	239
Executive Office:																
Office for Emergency Management [8]	71	354	558		982					672	18	1,673	[10] 47	[10 11] 173	[11] 350	570
Other	1,862	2,531	[12] 1,217	1	[13] 5,611	600			[14] 600	105		6,316	[15] 6	[15] 14	[16] 136	157
Justice Department	8	21	33		63					38		100	6	18	34	58
Panama Canal	15	35	57		107							107	10	28	29	66
Smaller War Plants Corporation, capital stock			150		150							150			13	13
Other	13	103	98	16	230					27		257	8	39	[17] 92	138
Unclassified expenditures														[a] 12	4	[a] 8
Total, war activities program, including appropriations for liquidation of 1940 and prior contract authorizations	20,502	110,837	81,318	28,831	241,488	3,297	14,378	2,000	19,675	62,558	18	323,740	6,301	26,011	72,109	104,421

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Liquidations of 1940 and prior contract authorizations	−360	−108			−468							−468				
Total, war activities program, exclusive of Reconstruction Finance Corporation and its subsidiaries	20,143	110,728	81,318	28,831	241,020	3,297	14,378	2,000	[3] 19,675	[4] 62,558	18	323,272	6,301	26,011	72,109	104,421

NOTE.—Figures are rounded to the nearest million and will not necessarily add to totals.

[a] Excess of credit (deduct).

[1] Commitments, receipts, and disbursements of the Reconstruction Finance Corporation and its subsidiaries are shown in table 21, p. 546.

[2] In many instances, funds appropriated during any fiscal year are also available for the succeeding fiscal year. In this statement, immediately available funds are shown in the fiscal year for which the appropriation was made. This statement excludes unexpended balances of appropriations on June 30, 1940 (except immediately available funds in fiscal year 1941 appropriations), which were available for expenditure in the fiscal year 1941. Allocations from appropriations made to the President (lend-lease and emergency funds for the President) are shown under the departments or agencies to which allocated.

[3] Contract authorizations have been reduced by later appropriations which were earmarked in authorizing acts for this purpose. Total net contract authorizations differ from amounts reflected in the daily Treasury statement for July 15, 1943, in order to include the latest revised estimates of the Navy Department for the naval expansion program, as of June 30, 1943.

[4] The amounts shown are those finally approved, and therefore will not necessarily agree with the amounts of appropriation bills shown in the daily Treasury statement of July 15, 1943.

[5] Excludes $44,593,500 transferred to the Office of the Administrator, National Housing Agency, authorized in act of Oct. 14, 1940. See footnote 9.

[6] Excludes expenditures for Selective Service (administrative expenses) now reflected separately below.

[7] Includes $8,827,985,099.41 in estimated requirements of the naval expansion program as provided in Public Law 763, approved Oct. 26, 1942, and $3,389,000,000 as provided in Public Law 92, approved June 26, 1943. See also footnote 3.

[8] Effect has been given to Executive Order No. 9247, dated Sept. 17, 1942, transferring the National Youth Administration and related activities to the War Manpower Commission within the Office for Emergency Management. See also footnote 11.

[9] Includes an allotment of $44,593,500 made from the President's emergency fund to the War Department, and subsequently transferred and merged with regular funds of the Office of Administrator, National Housing Agency.

[10] Expenditures relating to "Emergency funds for the President" and "Lend-lease funds" for the fiscal years 1941 and 1942 are reflected under "Other: Executive Office: Other."

[11] The Office for Emergency Management includes adjustments for the fiscal years 1942 and 1943 to cover expenditures for the Office of Government Reports formerly classified under the caption "Departmental," and classified herein as war activities. Also includes expenditures for the National Youth Administration, Training Within Industry, Apprentice Training Service, and the United States Employment Service, which were transferred by Executive Order No. 9247, dated Sept. 17, 1942, from the Federal Security Agency to the War Manpower Commission in the Office for Emergency Management. In addition, adjustment is made for the fiscal year 1943 to cover expenditures of the Council of National Defense formerly classified under the caption, "War activities—Other: Other."

[12] Reflects allocations to various agencies in the current fiscal year of amounts appropriated in previous years.

[13] Includes unallocated balances of the President's emergency funds amounting to $70,110,819.02 and lend-lease balances amounting to $5,424,704,484.60.

[14] Represents the net amount of contractual authority that the President may authorize the head of any department or agency of the Government to enter into for the procurement of defense articles, information or services for the government of any country whose defense the President deems vital to the defense of the United States.

[15] Includes expenditures of the Office for Emergency Management from "Emergency funds for the President" and "Lend-lease funds."

[16] Includes adjustment for fiscal year 1943 to cover expenditures of the Board of Economic Warfare and Office of Censorship formerly classified under the caption "War activities—Other: Other."

[17] Revised to reflect changes in classification of the Board of Economic Warfare and Council of National Defense, now shown under "War activities, Executive Office."

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TABLE 20.—*Expenditures for war activities, by departments and agencies and by fiscal years 1933 through 1943 and months from July 1940 through June 1943* [1]

[In millions of dollars. General and special accounts. On basis of daily Treasury statements, see p. 459]

Period	Total	War Department	Navy Department	Miscellaneous war activities										
				Total miscellaneous war activities	Agriculture Department	Federal Security Agency	Federal Works Agency	National Housing Agency	Selective Service (administrative)	Treasury Department	United States Maritime Commission [2]	War Shipping Administration	Aid to China	Other [3]
By fiscal years:														
1933	680	302	350	29							29			
1934	531	243	297	−10							−10			
1935	689	273	436	−21							−21			
1936	900	383	529	−12							−12			
1937	929	378	557	−6							−6			
1938	1,029	432	596	1							1			
1939	1,206	490	673	44							44			
1940	1,657	667	892	99							99			
1941	6,301	3,678	2,313	310	3	62		45	18	24	51			108
1942	26,011	14,070	8,580	3,362	696	111	62	297	33	519	929	132	200	382
1943	72,109	42,265	20,888	8,955	2,011	153	215	608	52	1,201	2,776	1,105	40	795
By months:														
1940—July	199	79	102	17		3				1	8			5
August	223	91	111	20		2				2	11			5
September	241	82	140	19		1				5	6			7
October	311	137	154	21		2			(*)	1	10			8
November	393	206	173	15		3			1	(*)	3			8
December	495	290	184	21		10		(*)	3	3	−3			8
1941—January	589	350	223	16		6		(*)	2	2	−4			9
February	610	408	181	20		12		(*)	2	2	−9			13
March	769	548	196	25		7		1	3	1	3			10
April	782	522	233	28	(*)	6		3	2	1	4			10
May	857	465	352	39	1	6		8	2	3	8			11
June	832	500	263	70	1	3		33	2	4	14			13
July	969	516	362	91	5	3		21	2	7	41			12
August	1,131	598	441	93	19	27	(*)	26	2	9	−6			15
September	1,330	746	424	160	37	13	(*)	30	2	16	46			16
October	1,537	834	497	205	66	8	1	39	2	24	44			22
November	1,448	771	493	185	41	6	1	29	2	29	57			20
December	1,850	1,072	545	233	43	7	4	29	2	52	69			28
1942—January	2,104	1,282	575	247	63	7	4	27	2	35	86			24
February	2,208	1,369	581	258	53	9	10	19	3	42	95	2		26
March	2,809	1,432	946	430	105	8	10	18	3	63	121	16		86

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April	3,238	1,594	1,101	543	65	7	14	22	3	63	98	42	200	29
May	3,560	1,850	1,307	402	80	8	10	17	4	83	130	33	----	37
June	3,829	2,007	1,309	513	119	8	8	21	4	99	150	39	----	66
July	4,498	2,861	1,103	534	90	28	12	26	4	95	184	54	----	42
August	4,884	2,875	1,376	633	61	13	17	42	4	110	211	99	----	76
September	5,384	3,519	1,294	572	94	4	13	45	5	102	141	113	----	56
October	5,481	3,417	1,596	467	51	21	17	48	3	110	46	111	----	60
November	6,042	3,538	1,478	1,025	433	16	15	50	2	81	274	85	----	68
December	5,825	3,770	1,380	676	21	6	19	50	5	83	275	127	----	88
1943—January	5,947	4,053	1,274	620	18	17	17	44	3	95	331	77	----	18
February	5,770	3,239	2,002	528	12	12	12	39	5	79	223	68	20	59
March	6,744	3,985	2,053	705	17	(*)	17	55	5	103	285	103	20	98
April	6,974	3,727	2,102	1,145	514	21	15	61	6	120	248	69	----	92
May	7,092	3,857	2,251	984	382	11	26	77	5	106	243	85	----	51
June	7,469	3,424	2,980	1,065	318	4	33	70	5	117	315	116	----	86

NOTE.—Figures are rounded to nearest million and will not necessarily add to totals.

*Less than $500,000.

[1] This table does not include war activities expenditures paid from corporate funds.

[2] Includes emergency ship construction, beginning March 1941.

[3] Includes war expenditures of Commerce, Justice, Interior, and State Departments; Civil Service Commission; Executive Office of the President (including Office for Emergency Management); Panama Canal; capital stock of Smaller War Plants Corporation; and Defense Aid special fund.

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TABLE 21.—*Commitments, receipts, and disbursements of the Reconstruction Finance Corporation and its subsidiaries under the war activities program, July 1, 1940, through June 30, 1943*

[In millions of dollars. Compiled from latest reports received by the Treasury]

	Commitments						Disbursements			Receipts (rents—repayments and sales) [1]		
	Commitments			Withdrawn and canceled								
	Fiscal years 1941 and 1942	Fiscal year 1943	Total	Fiscal years 1941 and 1942	Fiscal year 1943	Total	Fiscal years 1941 and 1942	Fiscal year 1943	Total	Fiscal years 1941 and 1942	Fiscal year 1943	Total
Defense Plant Corporation	$7,581	$2,104	[2] $9,685	$451	$1,035	$1,485	$1,358	$3,431	$4,789	$146	$1,366	$1,512
Defense Supplies Corporation	2,916	2,659	5,575	232	153	385	365	956	1,321	43	522	565
Metals Reserve Company	2,506	1,340	3,846	62	282	344	496	644	1,140	193	386	579
Rubber Reserve Company	1,591	496	2,087	14	519	534	309	194	503	83	220	303
U. S. Commercial Company	26	280	306	2	40	41	(*)	71	71	(*)	11	11
The RFC Mortgage Company		48	48		1	1		34	34		3	3
Reconstruction Finance Corporation direct:												
Loans to Great Britain and Northern Ireland	425		425				390		390	14	25	39
Defense Homes Corporation	64		64		9	9	11	33	44		(*)	(*)
War Damage Corporation—stock	100		100					1	1			
Automobile financing	132	(*)	132	2	130	132						
All other loans	1,008	538	1,546	160	187	347	230	340	570	70	195	265
Total	16,349	7,465	23,814	922	2,355	3,277	3,159	5,704	8,863	550	2,728	3,278

NOTE.—Figures are rounded to nearest milion and will not necessarily add to totals.

*Less than $500,000.

[1] Does not include profits on sales.

[2] Includes $633,683,272.85 representing estimated cost of construction of synthetic rubber plants by Defense Plant Corporation, repeated in commitments of Rubber Reserve Company by reason of its agreements to reimburse the former for its investment.

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PUBLIC DEBT

Public debt outstanding

TABLE 22.—*Description of the public debt outstanding June 30, 1943*

[On basis of daily Treasury statements, adjusted to public debt accounts, see p. 459]

Title of loan and rate of interest	Authorizing act	Tax exemptions	Date of loan	When redeemable or payable [1]	Interest payment date	Average price received	Amount issued	Amount retired	Amount outstanding
INTEREST-BEARING DEBT									
Public Issues									
Bonds:									
3% Panama Canal loan of 1961.	(a)	(m)	June 1, 1911	June 1, 1961	Mar. 1, June 1, Sept. 1, Dec. 1.	$102.582	$50,000,000.00	$200,000.00	$49,800,000.00
3% Conversion bonds of 1946.	(b)	(m)	Jan. 1, 1916	Jan. 1, 1946	Jan. 1, Apr. 1, July 1, Oct. 1.	Exchange at par	15,761,000.00		15,761,000.00
3% Conversion bonds of 1947.	(b)	(m)	Jan. 1, 1917	Jan. 1, 1947	do	do	13,133,500.00		13,133,500.00
2½% Postal savings bonds (25th to 49th series).	(c)	(m)	Jan. 1, July 1, 1923-35	1 year from date of issue; 20 years from date of issue.	Jan. 1, July 1	Par	117,268,740.00	2,820.00	117,265,920.00
Total postal savings bonds, etc.									195,960,420.00
Treasury bonds:									
4¼% of 1947-52	(d)	(n)	Oct. 16, 1922	Oct. 15, 1947; Oct. 15, 1952.	Apr. 15, Oct. 15	do	511,864,000.00		
						Exchange at par	252,098,300.00		
							763,962,300.00	5,016,500.00	758,945,800.00
4% of 1944-54	(d)	(n)	Dec. 15, 1924	Dec. 15, 1944; Dec. 15, 1954.	June 15, Dec. 15.	Par	224,513,500.00		
						Exchange at par	532,420,300.00		
						$100.50	290,154,700.00		
							1,047,088,500.00	10,396,100.00	1,036,692,400.00
3¾% of 1946-56	(d)	(n)	Mar. 15, 1926	Mar. 15, 1946; Mar. 15, 1956.	Mar. 15, Sept. 15.	$100.50	494,898,100.00	5,818,000.00	489,080,100.00
3⅛% of 1946-49	(d)	(n)	June 15, 1931	June 15, 1946; June 15, 1949.	June 15, Dec. 15.	Par	821,406,000.00	2,779,000.00	818,627,000.00
3% of 1951-55	(d)	(n)	Sept. 15, 1931	Sept. 15, 1951; Sept. 15, 1955.	Mar. 15, Sept. 15.	do	800,424,000.00	44,993,000.00	755,431,000.00

Footnotes at end of table.

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TABLE 22.—*Description of the public debt outstanding June 30, 1943*—Continued

Title of loan and rate of interest	Authorizing act	Tax exemptions	Date of loan	When redeemable or payable [1]	Interest payment date	Average price received	Amount issued	Amount retired	Amount outstanding
INTEREST BEARING DEBT—Continued									
Public Issues—Continued									
Bonds—Continued.									
Treasury bonds—Continued.									
3¼% of 1943-45	(d)	(n)	Oct. 15, 1933	Called for redemption on Oct. 15, 1943.	Apr. 15, Oct. 15	$101.50 Exchange at par	$500,421,950.00 900,716,550.00		
							1,401,138,500.00	$610,250.00	$1,400,528,250.00
3¼% of 1944-46	(d)	(n)	Apr. 16, 1934	Apr. 15, 1944; Apr. 15, 1946.	do	do	1,518,858,800.00	121,150.00	1,518,737,650.00
3% of 1946-48	(d)	(n)	June 15, 1934	June 15, 1946; June 15, 1948.	June 15, Dec. 15	Par Exchange at par $103.125 $103.5625	507,477,950.00 317,030,100.00 98,708,000.00 112,669,000.00		
							1,035,885,050.00	11,650.00	1,035,873,400.00
3⅛% of 1949-52	(d)	(n)	Dec. 15, 1934	Dec. 15, 1949; Dec. 15, 1952.	do	Par	491,377,100.00	2,000.00	491,375,100.00
2⅞% of 1955-60	(d)	(n)	Mar. 15, 1935	Mar. 15, 1955; Mar. 15, 1960.	Mar. 15, Sept. 15	Exchange at par and $100.50. $101.59375 $101.56250 $100.78125	2,304,429,200.00 101,971,000.00 106,541,000.00 98,215,000.00		
							2,611,156,200.00	64,050.00	2,611,092,150.00
2¾% of 1945-47	(d)	(n)	Sept. 16, 1935	Sept. 15, 1945; Sept. 15, 1947.	do	Par Exchange at par	645,736,100.00 568,717,800.00		
							1,214,453,900.00	24,950.00	1,214,428,950.00
2¾% of 1948-51	(d)	(n)	Mar. 16, 1936	Mar. 15, 1948; Mar. 15, 1951.	do	Par Exchange at par	727,033,950.00 496,462,900.00		
							1,223,496,850.00	1,000.00	1,223,495,850.00

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2¾% of 1951–54	(d)	(n)	June 15, 1936	June 15, 1951; June 15, 1954.	June 15, Dec. 15.	Par	1, 290, 756, 650. 00		
						Exchange at par	335, 931, 500. 00		
							1, 626, 688, 150. 00	1, 000. 00	1, 626, 687, 150. 00
2¾% of 1956–59	(d)	(n)	Sept. 15, 1936	Sept. 15, 1956; Sept. 15, 1959.	Mar. 15, Sept. 15.	Par	981, 848, 050. 00	22, 000. 00	981, 826, 050. 00
2½% of 1949–53	(d)	(n)	Dec. 15, 1936	Dec. 15, 1949; Dec. 15, 1953.	June 15, Dec. 15.	do	1, 006, 641, 950. 00		
						Exchange at par	779, 862, 100. 00		
							1, 786, 504, 050. 00	376, 950. 00	1, 786, 127, 100. 00
2½% of 1945	(d)	(n)	Dec. 15, 1937	Dec. 15, 1945	do	Par	293, 513, 250. 00		
						Exchange at par	247, 330, 300. 00		
							540, 843, 550. 00		540, 843, 550. 00
2½% of 1948	(d)	(n)	Mar. 15, 1938	Sept. 15, 1948	Mar. 15, Sept. 15.	Par	450, 978, 400. 00		450, 978, 400. 00
2¾% of 1958–63	(d)	(n)	June 15, 1938	June 15, 1958; June 15, 1963.	June 15, Dec. 15.	do	571, 736, 200. 00		
						Exchange at par	347, 044, 400. 00		
							918, 780, 600. 00		918, 780, 600. 00
2½% of 1950–52	(d)	(n)	Sept. 15, 1938	Sept. 15, 1950; Sept. 15, 1952.	Mar. 15, Sept. 15.	Par	461, 690, 100. 00		
						Exchange at par	404, 707, 100. 00		
						Exchange at $102.50	319, 444, 500. 00		
							1, 185, 841, 700. 00	500. 00	1, 185, 841, 200. 00
2¾% of 1960–65	(d)	(n)	Dec. 15, 1938	Dec. 15, 1960; Dec. 15, 1965.	June 15, Dec. 15.	Par	402, 892, 800. 00		
						Exchange at par	188, 196, 700. 00		
						Exchange at $102.375	894, 295, 600. 00		
							1, 485, 385, 100. 00	500. 00	1, 485, 384, 600. 00
2% of 1947	(d)	(n)	do	Dec. 15, 1947	do	Exchange at par	701, 074, 900. 00	2, 000. 00	701, 072, 900. 00
2% of 1948–50 (dated Dec. 8, 1939)	(d)	(n)	Dec. 8, 1939	Dec. 15, 1948; Dec. 15 1950.	do	Par	571, 431, 150. 00		571, 431, 150. 00
2¼% of 1951–53	(d)	(n)	Dec. 22, 1939	Dec. 15, 1951; Dec. 15, 1953.	do	do	100, 000, 000. 00		
						Exchange at par	1, 018, 051, 100. 00		
							1, 118, 051, 100. 00		1, 118, 051, 100. 00
2¼% of 1954–56	(d)	(n)	July 22, 1940	June 15, 1954; June 15, 1956.	do	Par	680, 692, 350. 00		680, 692, 350. 00
2% of 1953–55	(d)	(n)	Oct. 7, 1940	June 15, 1953; June 15, 1955.	do	Exchange at par	724, 677, 900. 00		724, 677, 900. 00

Footnotes at end of table.

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Federal Reserve Bank of St. Louis

TABLE 22.—*Description of the public debt outstanding June 30, 1943*—Continued

Title of loan and rate of interest	Authorizing act	Tax exemptions	Date of loan	When redeemable or payable [1]	Interest payment date	Average price received	Amount issued	Amount retired	Amount outstanding
INTEREST-BEARING DEBT—Continued									
Public Issues—Continued									
Bonds—Continued.									
Treasury bonds—Con.									
2% of 1948–50 (dated Mar. 15, 1941).	(d)	(e)	Mar. 15, 1941	Mar. 15, 1948; Mar. 15, 1950.	Mar. 15, Sept. 15	Exchange at par	$1,115,368,400.00		$1,115,368,400.00
2½% of 1952–54	(d)	(e)	Mar. 31, 1941	Mar. 15, 1952; Mar. 15, 1954.	do	Par	576,145,150.00		
						Exchange at par	447,423,200.00		
							1,023,568,350.00		1,023,568,350.00
2½% of 1956–58	(d)	(e)	June 2, 1941	Mar. 15, 1956; Mar. 15, 1958.	do	Par	661,750,800.00		
						Exchange at par	786,996,850.00		
							1,448,747,650.00		1,448,747,650.00
2½% of 1967–72	(d)	(e)	Oct. 20, 1941	Sept. 15, 1967; Sept. 15, 1972.	do	Par	2,527,073,950.00		
						Exchange at par	188,971,200.00		
							2,716,045,150.00		2,716,045,150.00
2% of 1951–55	(d)	(e)	Dec. 15, 1941	Dec. 15, 1951; Dec. 15, 1955.	June 15, Dec. 15	Par	532,687,950.00	$22,274,000.00	510,413,950.00
2% of 1949–51 (dated Jan. 15, 1942).	(d)	(e)	Jan. 15, 1942	June 15, 1949; June 15, 1951.	do	do	607,631,200.00		
						Exchange at par	406,387,700.00		
							1,014,018,900.00		1,014,018,900.00
2¼% of 1952–55	(d)	(e)	Feb. 25, 1942	June 15, 1952; June 15, 1955.	do	Par	1,510,795,300.00	10,014,000.00	1,500,781,300.00
2½% of 1962–67	(d)	(e)	May 5, 1942	June 15, 1962 [2]; June 15, 1967.	do	do	2,118,164,500.00		2,118,164,500.00
2% of 1949–51 (dated May 15, 1942).	(d)	(e)	May 15, 1942	Sept. 15, 1949; Sept. 15, 1951.	Mar. 15, Sept. 15	do	1,292,444,100.00		1,292,444,100.00
2% of 1949–51 (dated July 15, 1942).	(d)	(e)	July 15, 1942	Dec. 15, 1949; Dec. 15, 1951.	June 15, Dec. 15	do	2,097,617,600.00		2,097,617,600.00
2% of 1950–52 (dated Oct. 19, 1942).	(d)	(e)	Oct. 19, 1942	Mar. 15, 1950; Mar. 15, 1952.	Mar. 15, Sept. 15	do	1,962,688,300.00		1,962,688,300.00
1¾% of 1948	(d)	(e)	Dec. 1, 1942	June 15, 1948	June 15, Dec. 15	do	3,061,856,000.00		3,061,856,000.00

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Federal Reserve Bank of St. Louis

2½% of 1963–68	(d)	(e)	do	Dec. 15, 1963 [2]; Dec. 15, 1968.	do	do	2,830,914,000.00		2,830,914,000.00
2% of 1950–52 (dated Apr. 15, 1943).	(d)	(e)	Apr. 15, 1943	Sept. 15, 1950; Sept. 15, 1952.	Mar. 15, Sept. 15.	do	4,939,236,000.00		4,939,236,000.00
2½% of 1964–69	(d)	(e)	do	June 15, 1964 [2]; June 15, 1969.	June 15, Dec. 15.	do	3,761,902,000.00		3,761,902,000.00
Total Treasury bonds									57,520,467,900.00
United States savings bonds: [3]			Various dates:						
Series A–1935, 2.90% [4]	(d)	(n)	From Mar. 1, 1935	After 60 days from issue date, on demand at option of owner; 10 years from issue date.		$75.00	238,363,991.00	64,001,923.00	174,362,068.00
Series B–1936, 2.90% [4]	(d)	(n)	From Jan. 1, 1936	do		$75.00	419,679,190.59	108,062,883.59	311,616,307.00
Series C–1937, 2.90% [4]	(d)	(n)	From Jan. 1, 1937	do		$75.00	524,710,998.00	120,705,757.00	404,005,241.00
Series C–1938, 2.90% [4]	(d)	(n)	From Jan. 1, 1938	do		$75.00	594,218,825.00	108,545,769.25	485,673,055.75
Series D–1939, 2.90% [4]	(d)	(n)	From Jan. 1, 1939	do		$75.00	929,156,079.25	130,401,201.75	798,754,877.50
Series D–1940, 2.90% [4]	(d)	(n)	From Jan. 1, 1940	do		$75.00	1,105,476,252.25	115,438,760.75	990,037,491.50
Series D–1941, 2.90% [4]	(d)	(n)	From Jan. 1 to Feb. 28, 1941.	do		$75.00	352,745,426.25	21,747,142.25	330,998,284.00
Series D–1941, 2.90% [4]	(d)	(o)	From Mar. 1 to Apr. 30, 1941.	do		$75.00	122,863,303.00	10,307,016.50	112,556,286.50
Series E–1941, 2.90% [4]	(d)	(o)	From May 1, 1941	do		$75.00	1,355,809,922.68	86,755,924.02	1,269,053,998.66
Series F–1941, 2.53% [4]	(d)	(o)	do	After 6 months from issue date, on demand at option of owner; 12 years from issue date.		$74.00	233,620,154.01	9,089,207.96	224,530,946.05
Series G–1941, 2.50% [4]	(d)	(o)	do	do	Semiannually	Par	1,277,181,800.00	35,475,000.00	1,241,706,800.00
Series E–1942, 2.90% [4]	(d)	(o)	From Jan. 1, 1942	After 60 days from issue date, on demand at option of owner; 10 years from issue date.		$75.00	6,171,221,964.61	517,581,631.42	5,653,640,333.19
Series F–1942, 2.53% [4]	(d)	(o)	do	After 6 months from issue date, on demand at option of owner; 12 years from issue date.		$74.00	650,096,244.85	10,625,794.10	639,470,450.75
Series G–1942, 2.50% [4]	(d)	(o)	do	do	Semiannually	Par	2,492,550,800.00	30,187,800.00	2,462,363,000.00
Series E–1943, 2.90% [4]	(d)	(o)	From Jan. 1, 1943	After 60 days from issue date, on demand at option of owner; 10 years from issue date.		$75.00	4,399,975,635.75	144,269,083.86	4,255,706,551.89

Footnotes at end of table.

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Federal Reserve Bank of St. Louis

TABLE 22.—*Description of the public debt outstanding June 30, 1943*—Continued

Title of loan and rate of interest	Authorizing act	Tax exemptions	Date of loan	When redeemable or payable [1]	Interest payment date	Average price received	Amount issued	Amount retired	Amount outstanding
INTEREST-BEARING DEBT—Continued									
Public Issues—Continued									
Bonds—Continued.									
United States savings bonds [3]—Continued.									
Series F–1943, 2.53% [4]	(d)	(o)	From Jan. 1, 1943	After 6 months from issue date, on demand at option of owner; 12 years from issue date.		$74.00	$378,508,741.50	$222,075.00	$378,286,666.50
Series G–1943, 2.50% [4]	(d)	(o)	do	do	Semiannually	Par	1,416,361,300.00	1,199,800.00	1,415,161,500.00
Unclassified sales						$75.00	108,242,685.12		108,242,685.12
Total United States savings bonds									21,256,166,543.41
2% depositary bonds	(d)	(o)	From June 28, 1941.	At any time upon 30 to 60 days' notice; 12 years from issue date.	June 1, Dec. 1	Par	226,235,250.00	70,000.00	226,165,250.00
3% adjusted service bonds of 1945.	(r)	(p)	June 15, 1936	On demand at option of owner; June 15, 1945.	With principal at time of redemption.	do	1,841,297,800.00	1,619,395,600.00	221,902,200.00
Total bonds									79,420,662,313.41
Treasury notes:									
Regular series:									
1⅛% Series B–1943	(d)	(p)	Dec. 15, 1938	Dec. 15, 1943	June 15, Dec. 15	Par	328,577,200.00		
						Exchange at par	39,282,600.00		
						Exchange at $101	53,113,200.00		
							420,973,000.00	2,000.00	420,971,000.00
1% Series C–1943	(d)	(p)	June 15, 1943	Sept. 15, 1940	Mar. 15, Sept. 15	Exchange at par	279,473,800.00		279,473,800.00
¾% Series A–1944	(d)	(p)	June 15, 1939	June 15, 1944	June 15, Dec. 15	do	415,519,500.00	500.00	415,519,000.00
1% Series B–1944	(d)	(p)	Nov. 1, 1939	Mar. 15, 1944	Mar. 15, Sept. 15	do	515,210,900.00	500.00	515,210,400.00
1% Series C–1944	(d)	(p)	Dec. 22, 1939	Sept. 15, 1944	do	do	283,006,000.00		283,006,000.00
¾% Series A–1945	(d)	(p)	Mar. 15, 1940	Mar. 15, 1945	do	do	718,024,200.00	12,500.00	718,011,700.00
1¼% Series C–1945	(d)	(o)	Sept. 25, 1942	do	do	Par	1,606,204,500.00		1,606,204,500.00
1% Series A–1946	(d)	(o)	Nov. 1, 1941	Mar. 15, 1946	do	do	502,866,000.00		502,866,000.00
1½% Series B–1946	(d)	(o)	June 5, 1942	Dec. 15, 1946	June 15, Dec. 15	do	3,260,777,000.00		3,260,777,000.00
									8,002,039,400.00

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National defense series:									
¾% Series D-1944	(d)	(q)	Jan. 31, 1941	Sept. 15, 1944	Mar. 15, Sept. 15	do	635,064,400.00		635,064,400.00
¾% Series B-1945	(d)	(q)	Dec. 18, 1940	Dec. 15, 1945	June 15, Dec. 15	do	530,838,700.00		530,838,700.00
									1,165,903,100.00
Tax series:			Various dates:						
Series A-1943—1.92% [5]	(d)	(o)	From Aug. 1, 1941	Aug. 1, 1943	(6)	(7)	Par and accrued interest.	42,657,275.00	34,875,575.00	7,781,700.00
Series B-1943—.48% [5]	(d)	(o)	do	do	(6)	(7)	do	2,448,222,900.00	2,374,281,350.00	73,941,550.00
Series A-1944—1.92% [5]	(d)	(o)	From Jan. 1, 1942	Jan. 1, 1944	(6)	(7)	do	42,047,775.00	23,299,475.00	18,748,300.00
Series B-1944—.48% [5]	(d)	(o)	do	do	(6)	(7)	do	2,495,603,700.00	1,804,787,200.00	690,816,500.00
Series A-1945—1.92% [5]	(d)	(o)	From Sept. 14, 1942	Sept. 1, 1945	(6)	(7)	do	322,202,750.00	82,019,775.00	240,182,975.00
									1,031,471,025.00
Savings series:									
Series C-1945—1.07% [4]	(d)	(o)	do	3 years from issue date	(6)	(8)	do	3,749,508,000.00	803,660,000.00	2,945,848,000.00
Series C-1946—1.07% [4]	(d)	(o)	From Jan. 1, 1943	do	(6)	(8)	do	3,797,205,000.00	279,078,000.00	3,518,127,000.00
									6,463,975,000.00
Total Treasury notes									16,663,388,525.00
Certificates of indebtedness:									
⅞% Series B-1943	(d)	(o)	Aug. 15, 1942	Aug. 1, 1943	Feb. 1, Aug. 1	Par	1,609,332,000.00		1,609,332,000.00
⅞% Series D-1943	(d)	(o)	Nov. 2, 1942	Nov. 1, 1943	May 1, Nov. 1	do	2,035,254,000.00		2,035,254,000.00
⅞% Series E-1943	(d)	(o)	Dec. 1, 1942	Dec. 1, 1943	June 1, Dec. 1	do	3,799,736,000.00		3,799,736,000.00
⅞% Series A-1944	(d)	(o)	Feb. 1, 1943	Feb. 1, 1944	Aug. 1, Feb. 1	do	3,211,161,000.00		2,211,161,000.00
⅞% Series B-1944	(d)	(o)	Apr. 15, 1943	Apr. 1, 1944	Oct. 1, Apr. 1	do	5,250,631,000.00		5,250,631,000.00
⅞% Series C-1944	(d)	(o)	May 1, 1943	May 1, 1944	Nov. 1, May 1	do	1,655,303,000.00		1,655,303,000.00
Total certificates of indebtedness									16,561,417,000.00
Treasury bills (maturity value):									
Series maturing:									
July 7, 1943, .374% [10]	(d)	(r)	Apr. 7, 1943	July 7, 1943	July 7, 1943	$99.905	804,718,000.00		804,718,000.00
July 14, 1943, .373% [10]	(d)	(r)	Apr. 14, 1943	July 14, 1943	July 14, 1943	$99.906	803,964,000.00		803,964,000.00
July 21, 1943, .371% [10]	(d)	(r)	Apr. 21, 1943	July 21, 1943	July 21, 1943	$99.906	904,650,000.00		904,650,000.00
July 28, 1943, .372% [10]	(d)	(r)	Apr. 28, 1943	July 28, 1943	July 28, 1943	$99.906	901,758,000.00		901,758,000.00
Aug. 4, 1943, .373% [10]	(d)	(r)	May 5, 1943	Aug. 4, 1943	Aug. 4, 1943	$99.906	901,820,000.00		901,820,000.00
Aug. 12, 1943, .372% [10]	(d)	(r)	May 12, 1943	Aug. 12, 1943	Aug. 12, 1943	$99.905	906,997,000.00		906,997,000.00
Aug. 19, 1943, .373% [10]	(d)	(r)	May 19, 1943	Aug. 19, 1943	Aug. 19, 1943	$99.905	907,785,000.00		907,785,000.00
Aug. 26, 1943, .373% [10]	(d)	(r)	May 26, 1943	Aug. 26, 1943	Aug. 26, 1943	$99.905	905,415,000.00		905,415,000.00
Sept. 2, 1943, .374% [10]	(d)	(r)	June 2, 1943	Sept. 2, 1943	Sept. 2, 1943	$99.905	906,009,000.00		906,009,000.00
Sept. 9, 1943, .374% [10]	(d)	(r)	June 9, 1943	Sept. 9, 1943	Sept. 9, 1943	$99.904	908,689,000.00		908,689,000.00
Sept. 16, 1943, .374% [10]	(d)	(r)	June 16, 1943	Sept. 16, 1943	Sept. 16, 1943	$99.905	1,000,489,000.00		1,000,489,000.00
Sept. 23, 1943, .374% [10]	(d)	(r)	June 23, 1943	Sept. 23, 1943	Sept. 23, 1943	$99.904	1,006,051,000.00		1,006,051,000.00
Sept. 30, 1943, .374% [10]	(d)	(r)	June 30, 1943	Sept. 30, 1943	Sept. 30, 1943	$99.904	1,005,566,000.00		1,005,566,000.00
Total Treasury bills									11,863,911,000.00

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Federal Reserve Bank of St. Louis

TABLE 22.—*Description of the public debt outstanding June 30, 1943*—Continued

Title of loan and rate of interest	Authorizing act	Tax exemptions	Date of loan	When redeemable or payable [1]	Interest payment date	Average price received	Amount issued	Amount retired	Amount outstanding
INTEREST-BEARING DEBT—Continued									
Special issues									
Bonds:									
4½% adjusted service bonds (Government life insurance fund, Series 1946).	(c)	(c)	June 15, 1936	On demand; on or after June 15, 1946.	June 15	Par	$500,157,956.40		$500,157,956.40
Treasury notes:									
Federal old-age and survivors insurance trust fund:			Various dates:						
2½% Series 1944 to 1946	(d)	(c)	From Mar. 15, 1940	After one year from date of issue; June 30, 1944 to 1946.	June 30	do	1,328,100,000.00		1,328,100,000.00
2⅜%, Series 1946	(d)	(c)	From Sept. 15, 1941	After one year from date of issue; June 30, 1946.	do	do	603,000,000.00		603,000,000.00
2¼%, Series 1946 and 1947	(d)	(c)	From June 15, 1942	After one year from date of issue; June 30, 1946 and 1947.	do	do	678,400,000.00		678,400,000.00
2⅛%, Series 1947	(d)	(c)	Sept. 15, 1942	After one year from date of issue; June 30, 1947.	do	do	240,000,000.00		240,000,000.00
2%, Series 1947	(d)	(c)	Various dates: From Dec. 15, 1942	After one year from date of issue; June 30, 1947.	do	do	459,000,000.00		459,000,000.00
1⅞%, Series 1947 and 1948	(d)	(c)	From June 15, 1943	After one year from date of issue; June 30, 1947 and 1948.	do	do	735,000,000.00		735,000,000.00
Railroad retirement account:			Various dates:						
3% Series 1947	(d)	(c)	From July 1, 1942	After one year from date of issue; June 30, 1947.	June 30	do	213,000,000.00	$35,000,000.00	178,000,000.00
Civil service retirement fund:									
4% Series 1944 to 1948	(d)	(c)	From June 30, 1939	After one year from date of issue; June 30, 1944 to 1948.	do	do	1,058,900,000.00		1,058,900,000.00
3% Series 1945 to 1948	(d)	(c)	From Aug. 9, 1940	After one year from date of issue; June 30, 1945 to 1948.	do	do	1,553,000.00	132,000.00	1,421,000.00
Foreign Service retirement fund:									
4% Series 1944 to 1948	(d)	(c)	From June 30, 1939	After one year from date of issue; June 30, 1944 to 1948.	do	do	6,115,000.00		6,115,000.00

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Canal Zone retirement fund: 4% Series 1944 to 1948	(d)	(e)	do	After one year from date of issue; June 30, 1944 to 1948.	do	do	7,960,000.00		7,960,000.00
Alaska Railroad retirement fund: 4% Series 1944 to 1948	(d)	(e)	do	After one year from date of issue; June 30, 1944, to 1948.	do	do	1,552,000.00		1,552,000.00
Postal Savings System: 2% Series 1947	(d)	(e)	From Jan. 22, 1943	After one year from date of issue; June 30, 1947.	June 30, Dec. 31	do	312,000,000.00	115,000,000.00	197,000,000.00
Canal Zone, Postal Savings System: 2% Series 1946 and 1947	(d)	(e)	From May 26, 1942	After one year from date of issue; June 30, 1946 and 1947.	do	do	3,500,000.00	1,250,000.00	2,250,000.00
Government life insurance fund: 2% Series 1947	(d)	(e)	From June 30, 1942	After one year from date of issue; June 30, 1947.	June 30	do	54,675,000.00	16,675,000.00	38,000,000.00
National service life insurance fund: 3% Series 1945 to 1947	(d)	(e)	From Feb. 19, 1941	After one year from date of issue; June 30, 1945 to 1947.	do	do	351,725,000.00		351,725,000.00
Federal Deposit Insurance Corporation: 2% Series 1945 and 1947	(d)	(e)	From Jan. 18, 1941	After one year from date of issue; Dec. 1, 1945 and 1947.	June 1, Dec. 1	do	133,000,000.00	30,000,000.00	103,000,000.00
Federal Savings and Loan Insurance Corporation: 2% Series 1945 and 1947	(d)	(e)	From Nov. 22, 1940	After one year from date of issue; June 30, 1945 and 1947.	June 30, Dec. 31	do	111,078,000.00	5,000,000.00	106,078,000.00
									6,095,501,000.00
Certificates of indebtedness: Adjusted service certificate fund: 4% Series 1944	(d)	(e)	Jan. 1, 1943	On demand; Jan. 1, 1944.	Jan. 1, 1944	do	18,500,000.00	232,000.00	18,268,000.00
Unemployment trust fund: 1⅛% Series 1944	(d)	(e)	June 30, 1943	On demand; June 30, 1944.	June 30, Dec. 31	do	4,257,000,000.00		4,257,000,000.00
									4,275,268,000.00
Total interest-bearing debt outstanding.									135,380,305,794.81

Footnotes at end of table.

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TABLE 22.—*Description of the public debt outstanding June 30, 1943*—Continued

Title of loan and rate of interest	Authorizing act	Tax exemptions	Date of loan	When redeemable or payable [1]	Interest payment date	Average price received	Amount issued	Amount retired	Amount outstanding
MATURED DEBT ON WHICH INTEREST HAS CEASED									
Old debt matured prior to April 6, 1917.[11]	(f)	.....							$1,260,110.26
3% Loan of 1908–18	(g)	.....	1898	On Aug. 1, 1918			$198,792,660.00	$198,690,580.00	102,080.00
4% Loan of 1925	(h)	.....	Feb. 1, 1895	Called for redemption Feb. 2, 1925.			162,315,400.00	162,299,250.00	16,150.00
2% Consols of 1930	(i)	.....	Apr. 1, 1900	Called for redemption July 1, 1935.			646,250,150.00	646,222,100.00	28,050.00
2% Panama Canal loan	(j)	.....	Aug. 1, 1906	Called for redemption Aug. 1, 1935.			54,631,980.00	54,631,880.00	100.00
2% Panama Canal loan	(j)	.....	Nov. 1, 1908	do			30,000,000.00	29,999,980.00	20.00
2½% Postal savings bonds	(e)	.....	Jan. 1, July 1, 1911–1923.	20 years from date of issue.			11,860,200.00	11,827,920.00	32,280.00
First Liberty loan:									
First 3½'s	(k)	.....	June 15, 1917	Called for redemption June 15, 1935.			1,989,455,550.00	1,984,491,700.00	4,963,850.00
First 4's	(d)(k)	.....	Nov. 15, 1917	do			568,318,450.00	568,188,850.00	129,600.00
First 4¼'s	(d)(k)	.....	May 9, 1918	do			555,212,300.00	553,809,750.00	1,402,550.00
First-second 4¼'s	(d)(k)	.....	Oct. 24, 1918	do			3,492,150.00	3,487,300.00	4,850.00
Second Liberty loan:									
Second 4's	(l)	.....	Nov. 15, 1917	Called for redemption Nov. 15, 1927.			3,807,865,000.00	3,807,429,850.00	435,150.00
Second 4¼'s	(d)	.....	May 9, 1918	do			3,707,936,200.00	3,707,351,200.00	585,000.00
4¼% Third Liberty loan	(d)	.....	do	On Sept. 15, 1928			4,175,650,050.00	4,174,000,150.00	1,649,900.00
4¼% Fourth Liberty loan	(d)	.....	Oct. 24, 1918	Bonds with final digits 1, 9, and 0 called for redemption Apr. 15, 1934; bonds with final digits 2 and 8 called for redemption Oct. 15, 1934; bonds with final digits 5, 6, and 7 called for redemption Apr. 15, 1935; and bonds with final digits 3 and 4 called for redemption Oct. 15, 1935.			6,964,581,100.00	6,955,713,400.00	8,867,700.00

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Victory notes:									
3¾% Victory notes	(d)		May 20, 1919	Called for redemption June 15, 1922.					800.00
4¾% Victory notes	(d)		do	Symbols A to F called for redemption Dec. 15, 1922; balance of loan matured May 20, 1923.					521,900.00
Treasury bonds:									
3⅜% of 1940-43	(d)		July 16, 1928	Called for redemption June 15, 1940.			359,042,950.00	357,450,900.00	1,592,050.00
3⅜% of 1941-43	(d)		Mar. 16, 1931	Called for redemption Mar. 15, 1941.			594,230,050.00	592,641,600.00	1,588,450.00
3¼% of 1941	(d)		Aug. 15, 1933	Matured Aug. 1, 1941			835,043,100.00	834,113,200.00	929,900.00
3⅜% of 1943-47	(d)		June 15, 1927	Called for redemption June 15, 1943.			454,135,200.00	397,375,100.00	56,760,100.00
Treasury notes:									
5¾% Series A-1924	(d)		June 15, 1921	On June 15, 1924			311,191,600.00	311,175,400.00	16,200.00
4¾% Series A-1925	(d)		Feb. 1, 1922	On Mar. 15, 1925			601,599,500.00	601,594,500.00	5,000.00
4¾% Series A-1926	(d)		Mar. 15, 1922	On Mar. 15, 1926			617,769,700.00	617,766,900.00	2,800.00
4⅜% Series B-1925	(d)		June 15, 1922	On Dec. 15, 1925			335,141,300.00	335,113,900.00	27,400.00
4¼% Series B-1926	(d)		Aug. 1, 1922	On Sept. 15, 1926			486,940,100.00	486,932,800.00	7,300.00
4½% Series C-1925	(d)		Dec. 15, 1922	On June 15, 1925			469,213,200.00	469,202,700.00	10,500.00
4½% Series A-1927	(d)		Jan. 15, 1923	On Dec. 15, 1927			366,981,500.00	366,972,400.00	9,100.00
4¾% Series B-1927	(d)		May 15, 1923	On Mar. 15, 1927			668,201,400.00	668,189,200.00	12,200.00
3½% Series A-1930-32	(d)		Mar. 15, 1927	Called Mar. 15, 1931			1,360,456,450.00	1,360,353,750.00	102,700.00
3½% Series B-1930-32	(d)		Sept. 15, 1927	do			619,495,700.00	619,429,450.00	66,250.00
3½% Series C-1930-32	(d)		Jan. 16, 1928	Called Dec. 15, 1931			607,399,650.00	607,356,200.00	43,450.00
3¼% Series 1932	(d)		Dec. 15, 1931	On Dec. 15, 1932			600,446,200.00	600,392,500.00	53,700.00
3% Series A-1934	(d)		May 2, 1932	On May 2, 1934			244,234,600.00	244,199,100.00	35,500.00
3% Series A-1935	(d)		June 15, 1932	On June 15, 1935			416,602,800.00	416,522,800.00	80,000.00
2½% Series B-1934	(d)		Aug. 1, 1932	On Aug. 1, 1934			345,292,600.00	345,237,600.00	55,000.00
3¼% Series A-1936	(d)		do	On Aug. 1, 1936			365,138,000.00	365,010,900.00	127,100.00
3¼% Series A-1937	(d)		Sept. 15, 1932	On Sept. 15, 1937			834,401,500.00	834,206,900.00	194,600.00
3% Series B-1937	(d)		Oct. 15, 1932	On Apr. 15, 1937			508,328,900.00	508,263,500.00	65,400.00
2¾% Series B-1936	(d)		Dec. 15, 1932	On Dec. 15, 1936			360,533,200.00	360,487,800.00	45,400.00
2⅝% Series A-1938	(d)		Feb. 1, 1933	On Feb. 1, 1938			277,516,600.00	277,503,600.00	13,000.00
2⅞% Series C-1936	(d)		May 2, 1933	On Apr. 15, 1936			572,419,200.00	572,313,100.00	106,100.00
2⅞% Series B-1938	(d)		June 15, 1933	On June 15, 1938			623,911,800.00	623,783,900.00	127,900.00
1⅝% Series B-1935	(d)		Aug. 15, 1933	On Aug. 1, 1935			353,865,000.00	347,063,100.00	6,801,900.00
2½% Series C-1935	(d)		Jan. 29, 1934	On Mar. 15, 1935			528,101,600.00	528,040,600.00	61,000.00
2½% Series D-1935	(d)		Feb. 19, 1934	On Dec. 15, 1935			418,291,900.00	418,133,900.00	158,000.00
3% Series C-1937	(d)		do	On Feb. 15, 1937			428,730,700.00	428,687,700.00	43,000.00
3% Series C-1938	(d)		Mar. 15, 1934	On Mar. 15, 1938			455,175,500.00	454,920,000.00	255,500.00
2⅜% Series A-1939	(d)		June 15, 1934	On June 15, 1939			1,293,714,200.00	1,293,499,000.00	215,200.00
1½% Series D-1936	(d)		Sept. 15, 1934	On Sept. 15, 1936			514,066,000.00	514,065,200.00	800.00
2½% Series D-1938	(d)		do	On Sept. 15, 1938			596,416,100.00	596,248,500.00	167,600.00
1⅛% Series E-1936	(d)		Dec. 15, 1934	On June 15, 1936			686,616,400.00	686,609,000.00	7,400.00
1⅝% Series A-1940	(d)		Mar. 15, 1935	On Mar. 15, 1940			1,378,364,200.00	1,377,500,350.00	863,850.00
1½% Series B-1940	(d)		June 15, 1935	On June 15, 1940			738,428,400.00	737,869,300.00	559,100.00
1⅜% Series B-1939	(d)		July 15, 1935	On Dec. 15, 1939			526,233,000.00	526,166,700.00	66,300.00

Footnotes at end of table.

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TABLE 22.—*Description of the public debt issues outstanding June 30, 1943*—Continued

Title of loan and rate of interest	Authorizing act	Tax exemptions	Date of loan	When redeemable or payable [1]	Interest payment date	Average price received	Amount issued	Amount retired	Amount outstanding
MATURED DEBT ON WHICH INTEREST HAS CEASED—Continued									
Treasury notes—Cont.									
1½% Series C-1939	(d)	.....	Sept. 16, 1935	On Mar. 15, 1939	.....	.....	$941,613,750.00	$941,353,150.00	$260,600.00
1½% Series C-1940	(d)	.....	Dec. 16, 1935	On Dec. 15, 1940	.....	.....	737,161,600.00	736,982,300.00	179,300.00
1½% Series A-1941	(d)	.....	Mar. 16, 1936	On Mar. 15, 1941	.....	.....	676,707,600.00	675,936,500.00	771,100.00
1⅜% Series B-1941	(d)	.....	June 15, 1936	On June 15, 1941	.....	.....	503,877,500.00	499,591,900.00	4,285,600.00
1¼% Series C-1941	(d)	.....	Dec. 15, 1936	On Dec. 15, 1941	.....	.....	204,425,400.00	203,353,100.00	1,072,300.00
1¾% Series A-1942	(d)	.....	June 15, 1937	On Mar. 15, 1942	.....	.....	426,349,500.00	425,763,300.00	586,200.00
1⅜% Series D-1939	(d)	.....	do	On Sept. 15, 1939	.....	.....	426,554,600.00	426,545,600.00	9,000.00
1¼% Series E-1938	(d)	.....	Sept. 15, 1937	On Dec. 15, 1938	.....	.....	433,460,900.00	433,459,900.00	1,000.00
2% Series B-1942	(d)	.....	do	On Sept. 15, 1942	.....	.....	342,143,300.00	341,252,600.00	890,700.00
1¾% Series C-1942	(d)	.....	Dec. 15, 1937	On Dec. 15, 1942	.....	.....	232,375,200.00	231,357,400.00	1,017,800.00
1⅛% Series A-1943	(d)	.....	June 15, 1938	On June 15, 1943	.....	.....	629,116,900.00	619,570,900.00	9,546,000.00
¾% Series D-1943	(d)	.....	Mar. 15, 1941	On Mar. 15, 1943	.....	.....	65,963,700.00	65,803,300.00	160,400.00
Certificates of indebtedness:									
Certificates of indebtedness (various rates)	(d)	.....	Various	Various	.....	.....	.....	.....	10,187,350.00
Treasury bills:									
Treasury bills (various rates)	(d)	.....	do	do	.....	.....	.....	.....	19,912,000.00
Treasury savings certificates:									
3½–4½% issue of Dec. 15, 1921	(d)	.....	Dec. 15, 1921	5 years from date of issue	.....	.....	138,288,376.20	138,263,751.20	24,625.00
3–4% issue of Sept. 30, 1922	(d)	.....	Sept. 30, 1922	do	.....	.....	205,662,045.20	205,576,745.20	85,300.00
3½–4½% issue of Dec. 1, 1923	(d)	.....	Dec. 1, 1923	do	.....	.....	159,511,791.25	159,474,641.25	37,150.00
Total matured debt on which interest has ceased (on basis of public debt accounts)	.....	.....	.....	.....	.....	.....	.....	.....	140,303,265.26
Adjustment to daily Treasury statement	.....	.....	.....	.....	.....	.....	.....	.....	+196,825.00
Total matured debt on which interest has ceased (on basis of daily Treasury statement)	.....	.....	.....	.....	.....	.....	.....	.....	140,500,090.26

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NONINTEREST-BEARING DEBT			
United States saving stamps (Public Debt Act of 1942)			212,409,126.31
Old demand notes [Acts of July 17, 1861 (12 Stat. 259); Aug. 5, 1861 (12 Stat. 313); Feb. 12, 1862 (12 Stat. 338). (Greatest amount ever authorized to be outstanding, $60,000,000).]	[12] 60,030,000.00		52,917.50
Fractional currency [Acts of July 17, 1862 (12 Stat. 592); Mar. 3, 1863 (12 Stat. 711); June 30, 1864 (13 Stat. 220). (Greatest amount ever authorized to be outstanding, $50,000,000).]	[12] 368,724,080.00		[13] 1,969,523.77
Legal tender notes [Acts of Feb. 25, 1862 (12 Stat. 345); July 11, 1862 (12 Stat. 532); Mar 3, 1863 (12 Stat. 710); May 31, 1878 (20 Stat. 87); Mar. 14, 1900 (31 Stat. 45); Mar. 4, 1907 (34 Stat. 1290).]	346,681,016.00		346,681,016.00
Less gold reserve			156,039,430.93
			190,641,585.07
National bank notes (redemption account) [The Act of July 14, 1890 (26 Stat. 289), provides that balances standing with the Treasurer of the United States to the respective credits of national banks for deposits made to redeem the circulating notes of such banks and all deposits thereafter received for like purpose shall be covered into the Treasury as a miscellaneous receipt, and the Treasurer of the United States shall redeem from the general cash in the Treasury the circulating notes of said banks which may come into his possession subject to redemption, * * * and the balance remaining of the deposits so covered shall, at the close of each month, be reported on the monthly public debt statement as debts of United States bearing no interest.]			766,328,884.50
Thrift and Treasury savings stamps, unclassified sales, etc			3,741,572.50
Total noninterest-bearing debt (on basis of public debt accounts)			1,175,143,609.65
Adjustment to daily Treasury statement			+140,835.18
Total noninterest-bearing debt (on basis of daily Treasury statement)			1,175,284,444.83
Gross debt (including $7,535,144,623.79 advanced to Government agencies for which their obligations are owned by the Treasury) as shown on daily Treasury statement of July 1, 1943			[14] 136,696,090,329.90
Guaranteed obligations not owned by the Treasury			[15] 4,099,943,045.75
Total gross public debt and guaranteed obligations			140,796,033,375.65

[1] Except where otherwise noted, at option of owner. In case of Treasury bonds now outstanding, such bonds may be redeemed only on interest dates, and 4 months' notice of redemption must be given.

[2] Redeemable, at par and accrued interest, to date of payment, at any time upon the death of the owner at the option of the duly constituted representative of the deceased owner's estate, provided entire proceeds of redemption are applied to payment of Federal estate taxes due from deceased owner's estate.

[3] Amounts issued and retired for Series A to F, inclusive, include accrued discount; amounts outstanding are stated at current redemption values. Amounts issued, retired, and outstanding for Series G are stated at par value.

[4] Approximate yield if held to maturity.

[5] Computed at the rate of 16 cents per month per $100.

[6] Redeemable in payment of Federal income, estate, or gift taxes after one full calendar month has elapsed between month notes were purchased and month in which tendered for taxes. Redeemable for cash at option of owner as follows: Series A of 1943, 1944, or 1945, at any time; Series B of 1943 or 1944, after 60 days from date of issue (as shown by the dating stamp of the issuing agent) on 30 days' advance notice; Series C of 1945 or 1946, during and after the sixth calendar month after the month of issue (as shown on the face of each note) on 30 days' advance notice.

[7] Interest is payable with principal at time of redemption.

[8] Computed at the rate of 4 cents per month per $100.

[9] Interest is payable with principal at time of redemption. No interest is payable if note is inscribed in the name of a bank that accepts demand deposits, unless note is acquired by such bank through forfeiture of a loan.

[10] Treasury bills are noninterest-bearing and are sold on a discount basis. The average sale price of these series gives an approximate yield on a bank discount basis as above indicated.

(*Footnotes continued on next page*)

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FOOTNOTES TO TABLE 22—CONTINUED

[11] For detailed information and amounts outstanding June 30, 1929, see table 24 in annual report for 1929, p. 456. For amounts retired subsequent to 1929, see table 27, p. 580 of this report and corresponding tables in reports for 1930 to 1942.

[12] Includes amounts authorized to be outstanding at present time and amounts issued on deposits including reissues.

[13] After deducting amounts officially estimated to have been lost or irrevocably destroyed.

[14] Adjustment to the basis of public debt accounts is occasioned by items in transit, etc., on June 30, 1943, not reflected in the daily Treasury statement. The adjustment by classes of securities is as follows:

Class of security	Outstanding on basis of daily Treasury statement	Net adjustment to public debt accounts	Outstanding on basis of public debt accounts
Interest bearing debt:			
Public issues:			
Bonds (various)	$195,960,420.00		$195,960,420.00
Treasury bonds	57,520,467,900.00		57,520,467,900.00
United States savings bonds	21,256,166,543.41	+$2,757,013.18	21,258,923,556.59
Depositary bonds—2%	226,165,250.00		226,165,250.00
3% Adjusted service bonds of 1945	221,902,200.00	−4,650.00	221,897,550.00
Total bonds	79,420,662,313.41	+2,752,363.18	79,423,414,676.59
Treasury notes—regular series	8,002,039,400.00		8,002,039,400.00
Treasury notes—national defense series	1,165,903,100.00		1,165,903,100.00
Treasury notes—tax series	1,031,471,025.00	−467,400.00	1,031,003,625.00
Treasury notes—savings series	6,463,975,000.00	+74,000.00	6,464,049,000.00
Certificates of indebtedness	16,561,417,000.00		16,561,417,000.00
Treasury bills	11,863,911,000.00		11,863,911,000.00
Special issues:			
Bonds	500,157,956.40		500,157,956.40
Treasury notes	6,095,501,000.00		6,095,501,000.00
Certificates of indebtedness	4,275,268,000.00		4,275,268,000.00
Total interest-bearing debt	135,380,305,794.81	+2,358,963.18	135,382,664,757.99
Matured debt:			
Old debt (various)	1,438,790.26		1,438,790.26
Liberty loan bonds and Victory notes	18,563,850.00	−2,550.00	18,561,300.00
Matured debt—Continued.			
Treasury bonds (various)	$61,026,775.00	−$156,275.00	$60,870,500.00
Treasury notes (various)	29,198,250.00	−12,000.00	29,186,250.00
Certificates of indebtedness	10,214,350.00	−27,000.00	10,187,350.00
Treasury bills	19,911,000.00	+1,000.00	19,912,000.00
Treasury savings certificates	147,075.00		147,075.00
Total matured debt	140,500,090.26	−196,825.00	140,303,265.26
Debt bearing no interest:			
United States savings stamps	213,349,935.24	−940,808.93	212,409,126.31
Old demand notes	52,917.50		52,917.50
Fractional currency	1,969,523.77		1,969,523.77
Legal tender notes	346,681,016.00		346,681,016.00
Less gold reserve	156,039,430.93		156,039,430.93
	190,641,585.07		190,641,585.07
National bank and Federal Reserve Bank notes	765,528,884.50	+800,000.00	766,328,884.50
Thrift and Treasury savings stamps (unclassified sales, etc.)	3,741,598.75	−26.25	3,741,572.50
Total debt bearing no interest	1,175,284,444.83	−140,835.18	1,175,143,609.65
Total gross debt outstanding	136,696,090,329.90	+2,021,303.00	136,698,111,632.90

[15] On the basis of public debt accounts, guaranteed obligations on June 30, 1943, amounted to $4,099,654,845.75. See table 53, page 656 of this report.

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AUTHORIZING ACTS

[a] Aug. 5, 1909, Feb. 4, 1910, and Mar. 2, 1911.
[b] Dec. 23, 1913.
[c] June 25, 1910.
[d] Sept. 24, 1917, as amended.
[e] Sept. 24, 1917, as amended; and Adjusted Compensation Payment Act, 1936.
[f] Various.
[g] June 13, 1898.
[h] July 17, 1870, as amended; Jan. 14, 1875.
[i] Mar. 14, 1900.
[j] June 28, 1902; Dec. 21, 1905.
[k] Apr. 24, 1917.
[l] Sept. 24, 1917.

TAX EXEMPTIONS

[m] Exempt from the payment of all taxes or duties of the United States, as well as from all taxation in any form by or under State, municipal, or local authority. (The Supreme Court has held that this exemption does not extend to estate or inheritance taxes, imposed by Federal or State authority.)

[n] Exempt, both as to principal and interest, from all taxation now or hereafter imposed by the United States, any State, or any of the possessions of the United States, or by any local taxing authority, except (*a*) estate or inheritance taxes, and (*b*) graduated additional income taxes, commonly known as surtaxes, and excess profits and war-profits taxes, now or hereafter imposed by the United States, upon the income or profits of individuals, partnerships, associations, or corporations. The interest on an amount of bonds authorized by the act approved Sept. 24, 1917, as amended, the principal of which does not exceed in the aggregate $5,000 owned by any individual, partnership, association, or corporation, shall be exempt from the taxes provided for in clause (*b*) above. The following is applicable to savings bonds only: For the purposes of determining taxes and tax exemptions the increment in value of savings bonds represented by the difference between the price paid and the redemption value received (whether at or before maturity) shall be considered as interest.

[o] Income derived from these securities is subject to all Federal taxes now or hereafter imposed. The securities are subject to estate, inheritance, gift, or other excise taxes, whether Federal or State, but are exempt from all taxation now or hereafter imposed on the principal or interest thereof by any State, or any of the possessions of the United States, or by any local taxing authority. The following is applicable to savings bonds only: For the purposes of taxation any increment in value of savings bonds represented by the difference between the price paid and the redemption value received (whether at or before maturity) shall be considered as interest.

Attention is invited to Treasury Decision 4550 ruling that bonds, notes, bills, and certificates of indebtedness of the Federal Government or its agencies, and the interest thereon are not exempt from the gift tax.

[p] Exempt, both as to principal and interest, from all taxation (except estate or inheritance taxes) now or hereafter imposed by the United States, any State, or any of the possessions of the United States, or by any local taxing authority.

[q] Exempt, both as to principal and interest, from all taxation now or hereafter imposed by the United States, any State, or any of the possessions of the United States, or by any local taxing authority, except (*a*) estate or inheritance taxes, or gift taxes, and (*b*) all income, excess profits and war-profits taxes, now or hereafter imposed by the United States, upon the income or profits of individuals, partnerships, associations, or corporations.

[r] Any income derived from Treasury bills of this issue, whether interest or gain from their sale or other disposition does not have any exemption, as such, and loss from the sale or other disposition of any such bills does not have any special treatment, as such, under Federal tax acts now or hereafter enacted. The bills are subject to estate, inheritance, gift or other excise taxes, whether Federal or State, but are exempt from all taxation now or hereafter imposed on the principal or interest thereof by any State, or any of the possessions of the United States, or by any local taxing authority. For purposes of taxation the amount of discount at which the bills are originally sold by the United States is to be considered to be interest.

[s] These issues being investments of various Government funds and payable only for the account of such funds have no present tax liability.

In hands of foreign holders—Applicable only to securities issued prior to March 1, 1941: Bonds, notes, and certificates of indebtedness of the United States, shall, while beneficially owned by a nonresident alien individual, or a foreign corporation, partnership, or association, not engaged in business in the United States, be exempt both as to principal and interest from any and all taxation now or hereafter imposed by the United States, any State, or any of the possessions of the United States, or by any local taxing authority.

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TABLE 23.—*Principal of the public debt outstanding at the end of each fiscal year from 1853 through 1943* [1]

[On basis of public debt accounts from 1853 through 1919, and on basis of daily Treasury statements from 1920 to date, see p. 459 [1]]

June 30—	Interest-bearing [2]	Matured	Noninterest-bearing [3]	Total gross debt	Gross debt per capita
1853	$59,642,412	$162,249		$59,804,661	$2.36
1854	42,044,517	199,248		42,243,765	1.62
1855	35,418,001	170,498		35,588,499	1.32
1856	31,805,180	168,901		31,974,081	1.15
1857	28,503,377	197,998		28,701,375	1.01
1858	44,743,256	170,168		44,913,424	1.53
1859	58,333,156	165,225		58,498,381	1.93
1860	64,683,256	160,575		64,843,831	2.05
1861	90,423,292	159,125		90,582,417	2.83
1862	365,356,045	230,520	$158,591,390	524,177,955	16.03
1863	707,834,255	171,970	411,767,456	1,119,773,681	33.56
1864	1,360,026,914	366,629	455,437,271	1,815,830,814	53.33
1865	2,217,709,407	2,129,425	458,090,180	2,677,929,012	77.07
1866	2,322,116,330	4,435,865	429,211,734	2,755,763,929	77.69
1867	2,238,954,794	1,739,108	409,474,321	2,650,168,223	73.19
1868	2,191,326,130	1,246,334	390,873,992	2,583,446,456	69.87
1869	2,151,495,065	5,112,034	388,503,491	2,545,110,590	67.41
1870	2,035,881,095	3,569,664	397,002,510	2,436,453,269	63.19
1871	1,920,696,750	1,948,902	399,406,489	2,322,052,141	58.70
1872	1,800,794,100	7,926,547	401,270,191	2,209,990,838	54.44
1873	1,696,483,950	51,929,460	402,796,935	2,151,210,345	51.62
1874	1,724,930,750	3,216,340	431,785,640	2,159,932,730	50.47
1875	1,708,676,300	11,425,570	436,174,779	2,156,276,649	49.06
1876	1,696,685,450	3,902,170	430,258,158	2,130,845,778	47.21
1877	1,697,888,500	16,648,610	393,222,793	2,107,759,903	45.47
1878	1,780,735,650	5,594,070	373,088,595	2,159,418,315	45.37
1879	1,887,716,110	37,015,380	374,181,153	2,298,912,643	47.05
1880	1,709,993,100	7,621,205	373,294,567	2,090,908,872	41.69
1881	1,625,567,750	6,723,615	386,994,363	2,019,285,728	39.35
1882	1,449,810,400	16,260,555	390,844,689	1,856,915,644	35.37
1883	1,324,229,150	7,831,165	389,898,603	1,721,958,918	32.07
1884	1,212,563,850	19,655,955	393,087,639	1,625,307,444	29.60
1885	1,182,150,950	4,100,745	392,299,474	1,578,551,169	28.11
1886	1,132,014,100	9,704,195	413,941,255	1,555,659,550	27.10
1887	1,007,692,350	6,114,915	451,678,029	1,465,485,294	24.97
1888	936,522,500	2,495,845	445,613,311	1,384,631,656	23.09
1889	815,853,990	1,911,235	431,705,286	1,249,470,511	20.39
1890	711,313,110	1,815,555	409,267,919	1,122,396,584	17.92
1891	610,529,120	1,614,705	393,662,736	1,005,806,561	15.75
1892	585,029,330	2,785,875	380,403,636	968,218,841	14.88
1893	585,037,100	2,094,060	374,300,606	961,431,766	14.49
1894	635,041,890	1,851,240	380,004,687	1,016,897,817	15.04
1895	716,202,060	1,721,590	378,989,470	1,096,913,120	15.91
1896	847,363,890	1,636,890	373,728,570	1,222,729,350	17.40
1897	847,365,130	1,346,880	378,081,703	1,226,793,713	17.14
1898	847,367,470	1,262,680	384,112,913	1,232,743,063	16.90
1899	1,046,048,750	1,218,300	389,433,654	1,436,700,704	19.33
1900	1,023,478,860	1,176,320	238,761,733	1,263,416,913	16.56
1901	987,141,040	1,415,620	233,015,585	1,221,572,245	15.71
1902	931,070,340	1,280,860	245,680,157	1,178,031,357	14.89
1903	914,541,410	1,205,090	243,659,413	1,159,405,913	14.40
1904	895,157,440	1,970,920	239,130,656	1,136,259,016	13.88
1905	895,158,340	1,370,245	235,828,510	1,132,357,095	13.60
1906	895,159,140	1,128,135	246,235,695	1,142,522,970	13.50
1907	894,834,280	1,086,815	251,257,098	1,147,178,193	13.33
1908	897,503,990	4,130,015	276,056,398	1,177,690,403	13.46
1909	913,317,490	2,883,855	232,114,027	1,148,315,372	12.91
1910	913,317,490	2,124,895	231,497,584	1,146,939,969	12.69
1911	915,353,190	1,879,830	236,751,917	1,153,984,937	12.28
1912	963,776,770	1,760,450	228,301,285	1,193,838,505	12.48
1913	965,706,610	1,659,550	225,681,585	1,193,047,745	12.26
1914	967,953,310	1,552,560	218,729,530	1,188,235,400	12.00

[1] Figures for 1853 through 1885, are taken from "Statement of receipts and expenditures of the Government from 1855 to 1885 and principal of public debt from 1791 to 1885," compiled from the official records of the Register's office. From 1886 through 1919 figures are taken from the monthly debt statements and revised figures published in the annual reports of the Secretary of the Treasury. (See table 24, p. 507, in 1942 report). From 1920 to date, figures are taken from the Preliminary Statement of the Public Debt published in the daily Treasury statements.

[2] Exclusive of the bonds issued to the Pacific railways (provision having been made by law to secure the Treasury against both principal and interest) and the Navy pension fund (which was in no sense a debt, the principal being the property of the United States).

[3] Includes old demand notes; United States notes (gold reserve deducted since 1900); postal currency and fractional currency less the amounts officially estimated to have been destroyed; and also the deposits held by the Treasury for the retirement of Federal Reserve Bank notes, and for national bank notes of national banks failed, in liquidation, and reducing circulation, which prior to 1890 was not included in the published debt statements. Does not include gold, silver, or currency certificates, or Treasury notes of 1890 for redemption of which an exact equivalent of the respective kinds of money or bullion was held in the Treasury.

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TABLE 23.—*Principal of the public debt outstanding at the end of each fiscal year from 1853 through 1943* [1]—Continued

June 30—	Interest-bearing [2]	Matured	Noninterest-bearing [2]	Total gross debt	Gross debt per capita
1915	$969,759,090	$1,507,260	$219,997,718	$1,191,264,068	$11.83
1916	971,552,590	1,473,100	252,109,878	1,225,145,568	11.96
1917	2,712,549,477	14,232,230	248,836,878	2,975,618,585	28.57
1918	11,985,882,436	20,242,550	237,503,733	12,243,628,719	115.65
1919	25,234,496,274	11,109,370	236,428,775	25,482,034,419	240.09
1920	24,062,500,285	6,745,237	230,075,945	24,299,321,467	228.33
1921	23,738,900,085	10,688,160	227,862,308	23,977,450,553	221.10
1922	22,710,338,105	25,250,880	227,792,723	22,963,381,708	208.97
1923	22,007,043,612	98,738,910	243,924,844	22,349,707,365	200.10
1924	20,981,242,042	30,278,200	239,292,747	21,250,812,989	186.86
1925	20,210,906,915	30,258,980	275,027,993	20,516,193,888	177.82
1926	19,383,770,860	13,359,900	246,085,555	19,643,216,315	167.70
1927	18,252,664,666	14,718,585	244,523,681	18,511,906,932	156.05
1928	17,317,694,182	45,335,060	241,263,959	17,604,293,201	146.69
1929	16,638,941,379	50,749,199	241,397,905	16,931,088,484	139.40
1930	15,921,892,350	31,716,870	231,700,611	16,185,309,831	131.49
1931	16,519,588,640	51,819,095	229,873,756	16,801,281,492	135.37
1932	19,161,273,540	60,079,385	265,649,519	19,487,002,444	155.93
1933	22,157,643,120	65,911,170	315,118,270	22,538,672,560	179.21
1934	26,480,487,870	54,266,830	518,386,714	27,053,141,414	213.65
1935	27,645,241,089	230,662,155	824,989,381	28,700,892,625	225.07
1936	32,988,790,135	169,363,395	620,389,964	33,778,543,494	263.01
1937	35,800,109,418	118,529,815	505,974,499	36,424,613,732	281.80
1938	36,575,925,880	141,362,460	447,451,975	37,164,740,315	285.41
1939	39,885,969,732	142,283,140	411,279,539	40,439,532,411	308.29
1940	42,376,495,928	204,591,190	386,443,919	42,967,531,038	325.63
1941	48,387,399,539	204,999,860	369,044,137	48,961,443,536	367.54
1942	71,968,418,098	98,299,730	355,727,288	72,422,445,116	537.35
1943	135,380,305,795	140,500,090	1,175,284,445	136,696,090,330	1,001.24

Footnotes on preceding page.

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TABLE 24.—*Comparative statement of the public debt outstanding June 30, 1931 through 1943*

[In millions of dollars. On basis of daily Treasury statements, see p. 459]

Class	June 30, 1931	June 30, 1932	June 30, 1933	June 30, 1934	June 30, 1935	June 30, 1936	June 30, 1937	June 30, 1938	June 30, 1939	June 30, 1940	June 30, 1941	June 30, 1942	June 30, 1943
Interest-bearing:													
Public issues:													
Marketable issues:													
Consols of 1930	600	600	600	600	600								
Panama Canal loan bonds	125	125	125	125	125	50	50	50	50	50	50	50	50
Conversion bonds of 1946-47	29	29	29	29	29	29	29	29	29	29	29	29	29
Postal savings bonds	23	36	53	78	102	121	119	118	118	118	117	117	117
Liberty loan bonds	8,202	8,201	8,201	6,346	1,335								
Treasury bonds	4,553	5,259	5,216	9,333	12,684	17,168	19,936	21,846	25,218	26,555	30,215	38,085	57,520
Treasury notes	452	1,261	4,548	6,653	10,023	11,381	10,617	9,147	7,243	6,383	5,698	6,689	9,168
Certificates of indebtedness	1,802	2,726	2,108	1,517								3,096	16,561
Treasury bills	445,	616	954	1,404	2,053	2,354	2,303	1,154	1,308	1,302	1,603	2,508	11,864
Total marketable issues	16,229	18,852	21,834	26,084	26,950	31,102	33,054	32,344	33,965	34,436	37,713	50,573	95,310
Nonmarketable issues:													
United States savings bonds					62	316	800	1,238	1,868	2,905	4,314	10,188	21,256
Depositary bonds												79	226
Adjusted service bonds of 1945						945	389	319	283	261	241	229	222
Treasury notes—tax series and savings series												3,015	7,495
Total nonmarketable issues					62	1,261	1,188	1,556	2,151	3,166	4,555	13,510	29,200
Total public issues	16,229	18,852	21,834	26,084	27,012	32,363	34,242	33,900	36,116	37,602	42,267	64,083	124,509
Special issues:													
Old-age reserve account (notes)							267	662	1,177	1,413	1,053	524	
Federal old-age and survivors insurance trust fund (notes)										325	1,328	2,610	4,044
Railroad retirement account (notes)								66	67	79	74	92	178
Civil service retirement fund (notes)	168	200	227	239	248	275	309	389	465	550	645	783	1,060
Foreign service retirement fund (notes)	1	2	2	2	3	3	3	3	4	4	5	5	6
Canal Zone retirement fund (notes)		2	2	2	2	3	3	4	4	4	5	7	8
Alaska Railroad retirement fund (notes)							(*)	(*)	1	1	1	1	2
Postal Savings System (notes)				35	125	100	30	45	128	97	88	55	197
Canal Zone Postal Savings System (notes)												1	2

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Federal Deposit Insurance Corporation (notes)	*				100	100	95	85	101	56	90	95	103
Federal Savings and Loan Insurance Corporation (notes)											5	5	106
National service life insurance fund (notes)											3	39	352
Government life insurance fund (adjusted service bonds)							500	500	500	500	500	500	500
Government life insurance fund (notes)								23	36	24	31	37	38
Adjusted service certificate fund (certificates)	122	105	92	118	156	127	38	26	20	11	19	18	18
Unemployment trust fund (certificates)						19	312	872	1,267	1,710	2,273	3,114	4,257
Total special issues	291	309	323	396	633	626	1,558	2,676	3,770	4,775	6,120	7,885	10,871
Total interest-bearing debt	16,520	19,161	22,158	26,480	27,645	32,989	35,800	36,576	39,886	42,376	48,387	71,968	135,380
Noninterest-bearing:													
Matured debt on which interest has ceased	52	60	66	54	231	169	119	141	142	205	205	98	141
United States war savings stamps [1]													213
United States notes (less gold reserve)	191	191	191	191	191	191	191	191	191	191	191	191	191
Deposits for retirement of national bank and Federal Reserve Bank notes	34	70	119	322	629	424	310	252	215	190	173	159	765
Other debt bearing no interest	5	5	5	5	5	5	5	5	5	5	6	6	6
Total noninterest-bearing	282	326	381	573	1,056	790	625	589	554	591	574	454	1,316
Total gross debt	16,801	19,487	22,539	27,053	28,701	33,779	36,425	37,165	40,440	42,968	48,961	72,422	136,696

NOTE.—Figures are rounded to nearest million and will not necessarily add to totals.

*Less than $500,000.

[1] Sales of these stamps commenced May 1, 1941, as a special defense series of postal savings stamps, which were obligations of the Postal Savings System. Beginning Oct. 1, 1942, this special series was replaced by a Treasury issue of United States war savings stamps and all outstanding stamps became public debt obligations.

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TABLE 25.—*Composition of the public debt at the end of the fiscal years 1916 through 1943 and by months from July 1942 through June 1943* [1]

[In millions of dollars. On basis of public debt accounts from 1916 through 1919, and on basis of daily Treasury statements from 1920 to date, see p. 459]

End of fiscal year or month	Bonds		Notes [2]	Certificates of indebtedness and Treasury bills	Special issues to Government agencies and trust funds	Total interest-bearing debt	Matured debt on which interest has ceased	Debt bearing no interest	Total gross debt
	United States savings bonds	Other							
June 30—									
1916	----	$967	$4	----	----	$972	$1	$252	$1,225
1917	----	2,412	27	$273	----	2,713	14	249	2,976
1918	----	9,911	369	1,706	----	11,986	20	238	12,244
1919	----	17,188	4,422	3,625	----	25,234	11	236	25,482
1920	----	16,218	5,075	2,769	----	24,063	7	230	24,299
1921	----	16,119	4,920	2,700	----	23,739	11	228	23,977
1922	----	15,965	4,916	1,829	----	22,710	25	228	22,963
1923	----	16,535	4,441	1,031	----	22,007	99	244	22,350
1924	----	16,025	4,148	808	----	20,981	30	239	21,251
1925	----	16,842	2,740	533	$95	20,211	30	275	20,516
1926	----	16,928	1,799	453	204	19,384	13	246	19,643
1927	----	15,222	1,986	686	359	18,253	15	245	18,512
1928	----	13,021	2,582	1,252	462	17,318	45	241	17,604
1929	----	12,125	2,267	1,640	607	16,639	51	241	16,931
1930	----	12,111	1,626	1,420	764	15,922	32	232	16,185
1931	----	13,531	452	2,246	291	16,520	52	230	16,801
1932	----	14,250	1,261	3,341	309	19,161	60	266	19,487
1933	----	14,223	4,548	3,063	323	22,158	66	315	22,539
1934	----	16,510	6,653	2,921	396	26,480	54	518	27,053
1935	$62	14,874	10,023	2,053	633	27,645	231	825	28,701
1936	316	18,312	11,381	2,354	626	32,989	169	620	33,779
1937	800	20,522	10,617	2,303	1,558	35,800	119	506	36,425
1938	1,238	22,361	9,147	1,154	2,676	36,576	141	447	37,165
1939	1,868	25,698	7,243	1,308	3,770	39,886	142	411	40,440
1940	2,905	27,012	6,383	1,302	4,775	42,376	205	386	42,968
1941	4,314	30,652	5,698	1,603	6,120	48,387	205	369	48,961
1942	10,188	38,588	9,703	5,604	7,885	71,968	98	356	72,422
1943	21,256	58,164	16,663	28,425	10,871	135,380	141	1,175	136,696
Month ended—									
1942—July	11,078	40,687	10,046	6,759	8,125	76,694	88	355	77,136
August	11,751	41,929	10,428	8,873	8,262	81,244	87	354	81,685
September	12,479	41,934	12,095	10,829	8,509	85,847	102	534	86,483
October	13,381	43,904	15,059	11,336	8,585	92,265	86	553	92,904
November	14,079	43,912	15,798	12,882	8,787	95,458	90	568	96,116
December	15,050	49,818	16,247	17,161	9,032	107,308	75	787	108,170
1943—January	16,246	49,830	16,612	18,163	9,172	110,024	75	970	111,069
February	17,067	49,837	16,988	19,393	9,565	112,851	80	1,093	114,024
March	17,891	49,855	16,143	20,396	10,004	114,287	89	1,130	115,507
April	19,267	55,803	17,580	26,198	9,795	128,643	63	1,143	129,849
May	20,507	58,595	17,960	27,414	10,198	134,675	67	1,171	135,913
June	21,256	58,164	16,663	28,425	10,871	135,380	141	1,175	136,696

NOTE.—Figures are rounded to nearest million and will not necessarily add to totals. For monthly figures, on a revised basis, back to June 1916, see annual report for 1936, p. 413, and corresponding tables in subsequent reports.

[1] For an analysis of the items included in each category in this table, see the monthly Statements of the Public Debt of the United States for 1916 through 1919, and the daily Treasury statements for the end of the fiscal year or month from 1920 through December 1942 and thereafter the daily Treasury statement for the first day of each month. Details for June 30, 1943, are shown in table 22, on p. 547 of this report.

[2] Includes old Treasury (war) savings securities from 1918 through 1929.

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Public debt operations

TABLE 26.—*Public debt receipts and expenditures, monthly July 1942 through June 1943, with totals for the fiscal years 1942 and 1943* [1]

[On basis of daily Treasury statements, see p. 459]

	Fiscal year 1943						
	July 1942	August 1942	September 1942	October 1942	November 1942	December 1942	January 1943
RECEIPTS							
Public issues:							
Cash:							
Treasury bills	$1,605,301,000.00	$1,408,623,000.00	$1,906,801,000.00	$1,810,279,000.00	$2,004,312,000.00	$2,812,406,000.00	$2,605,971,000.00
Certificates of indebtedness		1,609,332,000.00	1,505,727,000.00		2,035,254,000.00	3,795,339,500.00	4,396,500.00
Certificates of indebtedness, special series			928,000,000.00		890,000,000.00	259,000,000.00	317,000,000.00
Treasury notes	[2] 33,000.00		1,611,206,900.00	2,137,389,700.00	*[a] 1,500.00*		
Treasury notes (tax series and savings series)	388,179,900.00	417,944,100.00	929,302,650.00	921,352,300.00	781,624,000.00	1,312,307,125.00	452,898,075.00
Treasury bonds	2,097,517,600.00	1,236,121,800.00	*[a] 125,800.00*	1,962,650,300.00		5,887,425,000.00	5,352,500.00
United States savings bonds (including unclassified sales)	915,112,618.33	705,498,769.52	761,936,949.50	942,155,457.96	741,207,848.42	1,025,567,009.98	1,259,291,921.13
United States savings stamps			[3] 180,971,817.90	[3] 25,204,169.28	[3] 45,468,326.38	43,919,828.72	66,267,145.55
Depositary bonds	2,220,000.00	7,031,000.00	5,910,000.00	7,870,000.00	8,664,000.00	18,990,000.00	7,265,000.00
Deposits for retirement of Federal Reserve Bank notes						214,888,250.00	179,960,500.00
Subtotal	5,008,364,118.33	5,384,550,669.52	7,829,730,517.40	7,806,900,927.24	6,506,528,674.80	15,369,842,713.70	4,898,402,641.68
Adjusted service bonds	101,100.00	75,900.00	61,950.00	54,550.00	55,600.00	44,950.00	47,700.00
Exchanges:							
Treasury notes							
Treasury notes (tax series and savings series)			48,577,800.00	19,722,750.00	12,575.00		
Treasury bonds							
Subtotal			48,577,800.00	19,722,750.00	12,575.00		

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	Fiscal year 1943					Total fiscal year 1943	Total fiscal year 1942
	February 1943	March 1943	April 1943	May 1943	June 1943		
RECEIPTS							
Public issues:							
Cash:							
Treasury bills	$2,813,518,000.00	$3,815,446,000.00	$3,415,418,000.00	$3,622,067,000.00	$4,826,854,000.00	$32,646,996,000.00	$8,018,630,000.00
Certificates of indebtedness	2,211,161,000.00		4,992,539,000.00	539,847,000.00	97,000.00	16,693,693,000.00	3,095,578,000.00
Certificates of indebtedness, special series		14,712,000,000.00			805,000,000.00	17,911,000,000.00	303,000,000.00
Treasury notes						3,748,628,100.00	[4] 1,621,219,400.00
Treasury notes (tax series and savings series)	456,635,325.00	446,755,800.00	1,632,907,500.00	482,238,375.00	468,074,650.00	8,690,219,800.00	4,138,914,475.00
Treasury bonds	[6] *9,000.00*	1,500.00	5,927,403,500.00	2,773,933,000.00	[6] *198,500.00*	19,890,071,900.00	7,352,939,000.00
United States savings bonds (including unclassified sales)	897,702,464.90	954,438,338.08	1,479,111,286.28	1,344,349,456.77	889,929,757.02	11,916,301,877.89	6,081,623,308.56
United States savings stamps	[3] 55,227,679.65	[3] 49,817,944.25	[3] 44,791,575.26	40,048,183.53	52,683,000.52	[3] 604,399,671.04	
Depositary bonds	7,328,000.00	17,880,000.00	21,115,000.00	18,480,250.00	24,524,000.00	147,277,250.00	78,958,000.00
Deposits for retirement of Federal Reserve Bank notes	124,954,000.00	37,444,750.00	13,170,000.00	33,950,000.00	18,610,000.00	622,977,500.00	
Subtotal	6,566,517,469.55	20,033,784,332.33	17,526,455,861.54	8,854,913,265.30	7,085,573,907.54	112,871,565,098.93	30,690,862,183.56
Adjusted service bonds	48,000.90	62,550.00	47,950.00	63,850.00	69,700.00	733,800.00	1,315,700.00
Exchanges:							
Certificates of indebtedness				1,373,451,000.00		1,373,451,000.00	
Treasury notes (tax series and savings series)						68,313,125.00	
Treasury bonds							595,964,800.00
Subtotal				1,373,451,000.00		1,441,764,125.00	595,964,800.00

See footnotes at end of table.

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TABLE 26.—*Public debt receipts and expenditures, monthly July 1942 through June 1943, with totals for the fiscal years 1942 and 1943* [1]—Continued

	Fiscal year 1943						
	July 1942	August 1942	September 1942	October 1942	November 1942	December 1942	January 1943
RECEIPTS—Continued							
Special issues:							
Adjusted service certificate fund (certificates)							$18,500,000.00
Unemployment trust fund (certificates)	$33,000,000.00	$165,000,000.00	$17,000,000.00	$43,000,000.00	$191,000,000.00	$59,000,000.00	30,000,000.00
Federal old-age and survivors insurance trust fund (notes) [5]			240,000,000.00			180,000,000.00	
Railroad retirement account (notes)	112,000,000.00			33,000,000.00			34,000,000.00
Civil service retirement fund (notes)	106,100,000.00	5,030,000.00	10,832,000.00	9,848,000.00	11,036,000.00	9,040,000.00	19,020,000.00
Foreign service retirement fund (notes)	813,000.00						
Canal Zone retirement fund (notes)	1,177,000.00						
Alaska Railroad retirement fund (notes)	175,000.00			12,000.00			
Postal Savings System (notes)							50,000,000.00
Canal Zone Postal Savings System (notes)			1,000,000.00				
Government life insurance fund (notes)	4,275,000.00	1,500,000.00	5,100,000.00	2,400,000.00	1,300,000.00		3,900,000.00
National service life insurance fund (notes)	9,950,000.00	22,125,000.00	16,050,000.00	14,425,000.00	19,950,000.00	25,200,000.00	23,650,000.00
Federal Deposit Insurance Corporation (notes)							
Federal Savings and Loan Insurance Corporation (notes)	1,000,000.00						600,000.00
Subtotal	268,490,000.00	193,655,000.00	289,982,000.00	102,685,000.00	223,286,000.00	273,240,000.00	179,670,000.00
Total public debt receipts	5,276,955,218.33	5,578,281,569.52	8,168,352,267.40	7,929,363,227.24	6,729,882,849.80	15,643,127,663.70	5,078,120,341.68

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	Fiscal year 1943					Total fiscal year 1943	Total fiscal year 1942
	February 1943	March 1943	April 1943	May 1943	June 1943		
RECEIPTS—Continued							
Special issues:							
Adjusted service certificate fund (certificates)						$18,500,000.00	$19,100,000.00
Unemployment trust fund (certificates)	$253,000,000.00	$22,000,000.00	$4,000,000.00	$269,000,000.00	$4,273,000,000.00	5,359,000,000.00	4,045,000,000.00
Federal old-age and survivors insurance trust fund (notes) [5]		279,000,000.00			735,000,000.00	1,434,000,000.00	1,281,400,000.00
Railroad retirement account (notes)			34,000,000.00			213,000,000.00	128,350,000.00
Civil service retirement fund (notes)	9,654,000.00	12,634,000.00	20,612,000.00	12,738,000.00	192,359,000.00	418,903,000.00	264,165,000.00
Foreign service retirement fund (notes)					598,000.00	1,411,000.00	1,614,000.00
Canal Zone retirement fund (notes)			11,000.00		693,000.00	1,881,000.00	1,893,000.00
Alaska Railroad retirement fund (notes)	32,000.00		6,000.00		252,000.00	477,000.00	560,000.00
Postal Savings System (notes)	62,000,000.00	90,000,000.00		60,000,000.00	50,000,000.00	312,000,000.00	
Canal Zone Postal Savings System (notes)		750,000.00		750,000.00		2,500,000.00	1,000,000.00
Government life insurance fund (notes)	2,800,000.00	5,700,000.00		2,000,000.00	25,200,000.00	54,175,000.00	37,150,000.00
National service life insurance fund (notes)	28,000,000.00	34,650,000.00	34,900,000.00	42,350,000.00	41,700,000.00	312,950,000.00	35,975,000.00
Federal Deposit Insurance Corporation (notes)	60,000,000.00	23,000,000.00				83,000,000.00	60,000,000.00
Federal Savings and Loan Insurance Corporation (notes)	500,000.00			28,031,000.00	75,897,000.00	106,028,000.00	
Subtotal	415,986,000.00	467,734,000.00	93,529,000.00	414,869,000.00	5,394,699,000.00	8,317,825,000.00	5,876,207,000.00
Total public debt receipts	6,982,551,469.55	20,501,580,882.33	17,620,032,811.54	10,643,297,115.30	12,480,342,607.54	122,631,888,023.93	37,164,349,683.56

Footnotes at end of table.

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TABLE 26.—*Public debt receipts and expenditures, monthly July 1942 through June 1943, with totals for the fiscal years 1942 and 1943* [1]—Continued

	Fiscal year 1943						
	July 1942	August 1942	September 1942	October 1942	November 1942	December 1942	January 1943
EXPENDITURES							
Public issues:							
Cash:							
Treasury bills	$457,782,000.00	$902,863,000.00	$1,448,032,000.00	$1,315,759,000.00	$1,410,824,000.00	$1,915,007,000.00	$1,807,494,000.00
Certificates of indebtedness	10,500.00	48,000.00	5,550.00	50.00	1,498,303,150.00	6,050,000.00	853,000.00
Certificates of indebtedness, special series			928,000,000.00		468,000,000.00	681,000,000.00	115,000,000.00
Treasury notes	2,100,000.00	572,750.00	335,054,900.00	3,150,900.00	2,333,950.00	232,190,100.00	1,505,150.00
Treasury notes (tax series and savings series):							
Cash redemptions	1,249,650.00	5,844,475.00	4,148,100.00	38,602,025.00	4,874,025.00	4,563,825.00	1,768,525.00
Received for taxes	44,804,775.00	29,431,375.00	527,347,725.00	56,322,500.00	37,755,025.00	626,216,725.00	86,355,900.00
Treasury bonds	856,950.00	332,350.00	242,700.00	253,650.00	180,700.00	385,600.00	176,750.00
United States savings bonds	25,460,813.38	32,175,936.49	34,288,566.13	40,124,649.92	43,161,128.59	54,652,104.66	62,973,485.79
United States savings stamps				5,884,517.80	29,955,214.10	38,384,022.55	62,706,286.30
Depositary bonds		10,000.00	25,000.00				5,000.00
Adjusted service bonds	1,097,600.00	807,500.00	843,850.00	728,100.00	490,200.00	500,000.00	460,750.00
Postal savings bonds	22,080.00			120.00	1,000.00	80.00	6,720.00
Other debt items	103,206.00	355,678.75	119,993.50	176,273.68	428,797.00	180,340.15	191,418.10
National bank notes and Federal Reserve Bank notes	1,066,515.00	738,085.00	485,552.00	1,154,154.00	456,362.00	1,179,889.00	327,395.00
Subtotal	534,554,089.38	973,179,150.24	3,278,593,936.63	1,462,155,940.40	3,496,763,551.69	3,560,309,686.36	2,139,824,380.19
Exchanges:							
Treasury notes							
Treasury notes (tax series)			48,577,800.00	19,722,750.00	12,575.00		
Treasury bonds							
Subtotal			48,577,800.00	19,722,750.00	12,575.00		

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	Fiscal year 1943					Total fiscal year 1943	Total fiscal year 1942
	February 1943	March 1943	April 1943	May 1943	June 1943		
EXPENDITURES							
Public issues:							
Cash:							
Treasury bills	$2,002,724,000.00	$2,798,283,000.00	$2,626,388,000.00	$2,815,472,000.00	$3,806,263,000.00	$23,306,891,000.00	$7,183,901,000.00
Certificates of indebtedness	1,582,116,550.00	3,156,000.00	1,901,000.00	125,917,550.00	1,544,000.00	3,219,905,350.00	966,050.00
Certificates of indebtedness, special series	202,000,000.00	14,712,000,000.00			805,000,000.00	17,911,000,000.00	303,000,000.00
Treasury notes	3,245,800.00	66,015,100.00	2,172,900.00	820,100.00	619,880,800.00	1,269,042,450.00	48,926,800.00
Treasury notes (tax series and savings series):							
Cash redemptions	1,982,525.00	11,773,100.00	19,476,350.00	4,819,300.00	15,786,875.00	114,888,775.00	20,682,575.00
Received for taxes	78,754,400.00	1,214,097,400.00	176,553,350.00	96,986,825.00	1,119,779,350.00	4,094,405,350.00	1,103,711,550.00
Treasury bonds	173,400.00	206,400.00	276,800.00	204,850.00	397,386,925.00	400,677,075.00	96,766,250.00
United States savings bonds	76,352,323.47	131,209,991.57	102,806,175.20	103,972,115.12	141,146,505.57	848,323,795.89	207,387,899.47
United States savings stamps	55,772,678.45	47,958,362.50	43,017,938.45	43,266,566.05	64,104,149.60	391,049,735.80	
Depositary bonds	5,000.00	5,000.00	10,000.00		5,000.00	65,000.00	5,000.00
Adjusted service bonds	427,400.00	483,950.00	351,650.00	312,250.00	836,250.00	7,339,500.00	13,370,250.00
Postal savings bonds	100.00	2,000.00	100.00	500.00		32,700.00	112,240.00
Other debt items	90,892.00	1,961,130.25	323,202.63	219,325.50	110,074.00	4,260,331.56	3,926,890.58
National bank notes and Federal Reserve Bank notes	1,493,000.00	1,971,180.00	2,241,280.00	2,755,230.00	2,892,980.00	16,761,622.00	13,299,798.00
Subtotal	4,005,138,068.92	18,989,122,614.32	2,975,518,746.28	3,194,746,611.67	6,974,735,909.17	51,584,642,685.25	8,996,056,303.05
Exchanges:							
Certificates of indebtedness				1,373,451,000.00		1,373,451,000.00	
Treasury notes							595,358,900.00
Treasury notes (tax series)						68,313,125.00	
Treasury bonds							605,900.00
Subtotal				1,373,451,000.00		1,441,764,125.00	595,964,800.00

Footnotes at end of table.

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TABLE 26.—*Public debt receipts and expenditures, monthly July 1942 through June 1943, with totals for the fiscal years 1942 and 1943* [1]—Continued

	Fiscal year 1943						
	July 1942	August 1942	September 1942	October 1942	November 1942	December 1942	January 1943
EXPENDITURES—Continued							
Special issues:							
Adjusted service certificate fund (certificates)	$150,000.00	$100,000.00	$80,000.00	$90,000.00	$95,000.00	$100,000.00	$17,820,000.00
Unemployment trust fund [4] (certificates)	10,000,000.00		10,000,000.00	5,000,000.00			
Federal old-age and survivors insurance trust fund (notes) [5]	10,000,000.00	20,000,000.00	21,700,000.00	12,000,000.00	10,000,000.00	17,500,000.00	10,000,000.00
Railroad retirement account (notes)	8,500,000.00	11,000,000.00	11,000,000.00	10,000,000.00	11,000,000 00	11,000,000.00	11,000,000.00
Civil service retirement fund (notes)							
Foreign service retirement fund (notes)	23,000.00	33,000.00	27,000.00	36,000.00	32,000.00	37,000.00	35,000.00
Canal Zone retirement fund (notes)	2,000.00	13,000.00	11,000.00	35,000.00	30,000.00	23,000.00	15,000.00
Alaska Railroad retirement fund (notes)					13,000.00	10,000.00	
Postal Savings System (notes)							
Canal Zone Postal Savings System (notes)							
Government life insurance fund (notes)		25,000,000.00					
Federal Deposit Insurance Corporation (notes)							
Federal Savings and Loan Insurance Corporation (notes)							
Subtotal	28,675,000.00	56,146,000.00	42,818,000.00	27,161,000.00	21,170,000.00	28,670,000.00	38,870,000.00
Total public debt expenditures	563,229,089.38	1,029,325,150.24	3,369,989,736.63	1,509,039,690.40	3,517,946,126.69	3,588,979,686.36	2,178,694,380.19
Excess of receipts	4,713,726,128.95	4,548,956,419.28	4,798,362,530.77	6,420,323,536.84	3,211,936,723.11	12,054,147,977.34	2,899,425,961.49

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	Fiscal year 1943					Total fiscal year 1943	Total fiscal year 1942
	February 1943	March 1943	April 1943	May 1943	June 1943		
EXPENDITURES—Continued							
Special issues:							
Adjusted service certificate fund (certificates)		$38,000.00	$97,000.00	$97,000.00		$18,667,000.00	$19,965,000.00
Unemployment trust fund (certificates)					$4,191,000,000.00	4,216,000,000.00	3,204,000,000.00
Federal old-age and survivors insurance trust fund (notes) [5]	$13,000,000.00	18,400,000.00	13,000,000.00		378,200,000.00	523,800,000.00	528,700,000.00
Railroad retirement account (notes)	10,000,000.00	11,000,000.00	10,000,000.00	11,000,000.00	11,000,000.00	126,500,000.00	110,850,000.00
Civil service retirement fund (notes)				332,000.00	140,900,000.00	141,232,000.00	126,800,000.00
Foreign service retirement fund (notes)	30,000.00	35,000.00	36,000.00	34,000.00	380,000.00	738,000.00	885,000.00
Canal Zone retirement fund (notes)	18,000.00	19,000.00		16,000.00	417,000.00	599,000.00	603,000.00
Alaska Railroad retirement fund (notes)	1,000.00			1,000.00	200,000.00	225,000.00	265,000.00
Postal Savings System (notes)			170,000,000.00			170,000,000.00	33,000,000.00
Canal Zone Postal Savings System (notes)			1,250,000.00			1,250,000.00	
Government life insurance fund (notes)			27,825,000.00			52,825,000.00	31,259,000.00
Federal Deposit Insurance Corporation (notes)			75,000,000.00			75,000,000.00	55,000,000.00
Federal Savings and Loan Insurance Corporation (notes)			5,000,000.00			5,000,000.00	
Subtotal	23,049,000.00	29,492,000.00	302,208,000.00	11,480,000.00	4,722,097,000.00	5,331,836,000.00	4,111,327,000.00
Total public debt expenditures	4,028,187,068.92	19,018,614,614.32	3,277,726,746.28	4,579,677,611.67	11,696,832,909.17	58,358,242,810.25	13,703,348,103.05
Excess of receipts	2,954,364,400.63	1,482,966,268.01	14,342,306,065.26	6,063,619,503.63	783,509,698.37	64,273,645,213.68	23,461,001,580.51

[a] Counter entry (deduct).

[1] For figures for fiscal years 1933 to 1936, see annual report for 1937, p. 336, and for later years see corresponding tables in subsequent reports.

[2] Consists of 1½ percent Treasury notes, Series B-1946, issued in exchange for 2¼ percent Home Owners' Loan Corporation bonds, Series G-1942-44, called for redemption July 1, 1942.

[3] Includes the following amounts deposited by Postal Savings System to cover outstanding Postal Savings stamps, liability for which has been transferred from the Postal Savings System to the Treasury as a public debt obligation, pursuant to sec. 5 of the Public Debt Act of 1942, approved Mar. 28, 1942: September, $180,971,817.90; October, $6,646,556.80; November, $6,391,782; February, $560,619.70; March, $188,102.50; and April, $114.70; a total of $194,758,993.60 for the fiscal year.

[4] Includes $1,118,353,400 of 1½ percent Treasury notes, Series B-1946, issued in exchange for 2¼ percent Home Owners' Loan Corporation bonds, Series G-1942-44, called for redemption July 1, 1942, and 1 percent Reconstruction Finance Corporation notes, Series S, maturing July 1, 1942.

[5] Includes transactions formerly classified under the caption "Old-age reserve account."

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TABLE 27.—*Changes in public debt, by issues, fiscal year 1943*

[On basis of daily Treasury statement, adjusted to public debt accounts,[1] see p. 459]

Detail	Outstanding July 1, 1942	Issues during year	Transferred from interest-bearing debt	Redemptions during year	Transferred to matured debt	Outstanding June 30, 1943
INTEREST-BEARING DEBT						
Public issues:						
Bonds:						
3% Panama Canal loan of 1961	$49,800,000.00					$49,800,000.00
3% conversion bonds of 1946	15,761,000.00					15,761,000.00
3% conversion bonds of 1947	13,133,500.00					13,133,500.00
2½% postal savings bonds (twenty-fifth to forty-ninth series)	117,295,680.00			$28,260.00	$1,500.00	117,265,920.00
Total postal savings bonds, etc	195,990,180.00			28,260.00	1,500.00	195,960,420.00
Treasury bonds:						
4¼% of 1947–52	758,945,800.00					758,945,800.00
4% of 1944–54	1,036,692,400.00					1,036,692,400.00
3¾% of 1946–56	489,080,100.00					489,080,100.00
3⅜% of 1943–47	454,135,200.00			397,195,925.00	56,939,275.00	
3½% of 1946–49	818,627,000.00					818,627,000.00
3% of 1951–55	755,431,000.00					755,431,000.00
3¼% of 1943–45	1,400,528,250.00					1,400,528,250.00
3¼% of 1944–46	1,518,737,650.00					1,518,737,650.00
3% of 1946–48	1,035,873,400.00					1,035,873,400.00
3½% of 1949–52	491,375,100.00					491,375,100.00
2⅞% of 1955–60	2,611,092,150.00					2,611,092,150.00
2¾% of 1945–47	1,214,428,950.00					1,214,428,950.00
2¾% of 1948–51	1,223,495,850.00					1,223,495,850.00
2¾% of 1951–54	1,626,687,150.00					1,626,687,150.00
2¾% of 1956–59	981,826,550.00			500.00		981,826,050.00
2½% of 1949–53	1,786,128,650.00			1,550.00		1,786,127,100.00
2½% of 1945	540,843,550.00					540,843,550.00
2½% of 1948	450,978,400.00					450,978,400.00
2¾% of 1958–63	918,780,600.00					918,780,600.00
2½% of 1950–52	1,185,841,200.00					1,185,841,200.00
2¾% of 1960–65	1,485,384,600.00					1,485,384,600.00
2% of 1947	701,072,900.00					701,072,900.00
2% of 1948–50 (dated Dec. 8, 1939)	571,431,150.00					571,431,150.00
2¼% of 1951–53	1,118,051,100.00					1,118,051,100.00
2¼% of 1954–56	680,692,350.00					680,692,350.00
2% of 1953–55	724,677,900.00					724,677,900.00
2% of 1948–50 (dated Mar. 15, 1941)	1,115,368,400.00					1,115,368,400.00
2½% of 1952–54	1,023,568,350.00					1,023,568,350.00
2½% of 1956–58	1,448,747,650.00					1,448,747,650.00
2½% of 1967–72	2,716,045,150.00					2,716,045,150.00
2% of 1951–55	510,413,950.00					510,413,950.00

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2% of 1949–51 (dated Jan. 15, 1942)	1,014,018,900.00					1,014,018,900.00
2¼% of 1952–55	1,500,781,300.00					1,500,781,300.00
2½% of 1962–67	882,306,500.00	$1,235,858,000.00				2,118,164,500.00
2% of 1949–51 (dated May 15, 1942)	1,292,444,100.00					1,292,444,100.00
2% of 1949–51 (dated July 15, 1942)		2,097,617,600.00				2,097,617,600.00
2% of 1950–52 (dated Oct. 19, 1942)		1,962,688,300.00				1,962,688,300.00
1¾% of 1948		3,061,856,000.00				3,061,856,000.00
2½% of 1963–68		2,830,914,000.00				2,830,914,000.00
2% of 1950–52 (dated Apr. 15, 1943)		4,939,236,000.00				4,939,236,000.00
2½% of 1964–69		3,761,902,000.00				3,761,902,000.00
Total Treasury bonds	38,084,533,250.00	19,890,071,900.00		397,197,975.00	56,939,275.00	57,520,467,900.00
United States savings bonds: [2]						
Series A–1935	170,965,253.25	6,724,664.25		3,327,849.50		174,362,068.00
Series B–1936	310,727,622.25	7,205,806.75		6,317,122.00		311,616,307.00
Series C–1937	403,213,851.75	9,567,732.50		8,776,343.25		404,005,241.00
Series C–1938	484,704,901.25	11,781,209.00		10,813,054.50		485,673,055.75
Series D–1939	799,237,732.00	19,884,963.75		20,367,818.25		798,754,877.50
Series D–1940	991,474,200.00	25,279,410.25		26,716,118.75		990,037,491.50
Series D–1941	443,831,918.75	11,617,839.75		11,895,188.00		443,554,570.50
Series E–1941	1,298,659,035.53	16,800,106.18		46,405,143.05		1,269,053,998.66
Series F–1941	228,371,908.40	2,496,402.61		6,337,364.96		224,530,946.05
Series G–1941	1,265,009,400.00	292,800.00		23,595,400.00		1,241,706,800.00
Series E–1942	1,978,392,659.75	4,173,147,767.61		497,900,094.17		5,653,640,333.19
Series F–1942	270,559,247.50	379,379,543.85		10,468,340.60		639,470,450.75
Series G–1942	1,149,274,100.00	1,342,801,900.00		29,713,000.00		2,462,363,000.00
Series E–1943		4,399,975,635.75		144,269,083.86		4,255,706,551.89
Series F–1943		378,508,741.50		222,075.00		378,286,666.50
Series G–1943		1,416,361,300.00		1,199,800.00		1,415,161,500.00
Unclassified sales	393,766,630.98	[3] *285,623,945.86*				108,242,685.12
Total United States savings bonds	10,188,188,461.41	11,916,301,877.89		848,323,795.89		21,256,166,543.41
2% depositary bonds	78,953,000.00	147,277,250.00		65,000.00		226,165,250.00
3% adjusted service bonds of 1945	228,507,900.00	733,800.00		7,339,500.00		221,902,200.00
Treasury notes:						
Regular series:						
2% Series B–1942	342,143,300.00			341,252,600.00	890,700.00	
1¼% Series C–1942	232,375,200.00			231,348,400.00	1,026,800.00	
1⅛% Series A–1943	629,113,400.00			619,564,400.00	9,549,000.00	
1¼% Series B–1943	420,971,500.00			500.00		420,971,000.00
1% Series C–1943	279,473,800.00					279,473,800.00
¾% Series D–1943	65,963,700.00			65,803,300.00	160,400.00	
¾% Series A–1944	415,519,000.00					415,519,000.00
1% Series B–1944	515,210,400.00					515,210,400.00
1% Series C–1944	283,006,000.00					283,006,000.00
¾% Series A–1945	718,012,200.00			500.00		718,011,700.00
1¼% Series C–1945		1,606,204,500.00				1,606,204,500.00
1% Series A–1946	502,866,000.00					502,866,000.00
1½% Series B–1946	1,118,353,400.00	2,142,423,600.00				3,260,777,000.00

Footnotes at end of table.

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TABLE 27.—*Changes in public debt, by issues, fiscal year 1943*—Continued

Detail	Outstanding July 1, 1942	Issues during year	Transferred from interest-bearing debt	Redemptions during year	Transferred to matured debt	Outstanding June 30, 1943
INTEREST-BEARING DEBT—Continued						
Public issues—Continued.						
Treasury notes—Continued						
National defense series:						
¾% Series D-1944	$635,064,400.00					$635,064,400.00
¾% Series B-1945	530,838,700.00					530,838,700.00
Tax series:						
A-1943	26,864,075.00			$19,082,375.00		7,781,700.00
B-1943	1,399,164,100.00			1,325,222,550.00		73,941,550.00
A-1944	27,909,875.00	$12,528,175.00		21,689,750.00		18,748,300.00
B-1944	1,560,582,300.00	877,089,000.00		1,746,854,800.00		690,816,500.00
A-1945		322,202,750.00		82,019,775.00		240,182,975.00
Savings series:						
C-1945		3,749,508,000.00		803,660,000.00		2,945,848,000.00
C-1946		3,797,205,000.00		279,078,000.00		3,518,127,000.00
Total Treasury notes	9,703,431,950.00	12,507,161,025.00		5,535,576,950.00	$11,626,900.00	16,663,388,525.00
Certificates of indebtedness:						
½% Series A-1942	1,507,083,000.00			1,506,286,000.00	797,000.00	
⅝% Series A-1943	1,588,495,000.00			1,587,206,000.00	1,289,000.00	
⅞% Series B-1943		1,609,332,000.00				1,609,332,000.00
.65% Series C-1943		1,505,727,000.00		1,499,320,000.00	6,407,000.00	
⅞% Series D-1943		2,035,254,000.00				2,035,254,000.00
⅞% Series E-1943		3,799,736,000.00				3,799,736,000.00
⅞% Series A-1944		2,211,161,000.00				2,211,161,000.00
⅞% Series B-1944		5,250,631,000.00				5,250,631,000.00
⅞% Series C-1944		1,655,303,000.00				1,655,303,000.00
Total certificates of indebtedness	3,095,578,000.00	18,067,144,000.00		4,592,812,000.00	8,493,000.00	16,561,417,000.00
Treasury bills (maturity value):						
Regular series maturing: [4]						
July 15, 1942	150,073,000.00			150,073,000.00		
July 22, 1942	150,058,000.00			150,058,000.00		
July 29, 1942	150,126,000.00			150,126,000.00		
Aug. 5, 1942	150,400,000.00			150,400,000.00		
Aug. 12, 1942	250,692,000.00			250,628,000.00	64,000.00	
Aug. 19, 1942	251,735,000.00			251,735,000.00		
Aug. 26, 1942	250,986,000.00			250,966,000.00	20,000.00	
Sept. 2, 1942	251,301,000.00			251,299,000.00	2,000.00	
Sept. 9, 1942	300,772,000.00			300,772,000.00		
Sept. 16, 1942	301,046,000.00			301,041,000.00	5,000.00	
Sept. 17, 1942	301,109,000.00			301,109,000.00		
Sept. 30, 1942		301,863,000.00		301,863,000.00		
Oct. 7, 1942		300,081,000.00		300,014,000.00	67,000.00	

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Oct. 14, 1942		301,187,000.00		301,187,000.00		
Oct. 21, 1942		351,862,000.00		351,842,000.00	20,000.00	
Oct. 28, 1942		350,308,000.00		350,308,000.00		
Nov. 4, 1942		352,565,000.00		352,565,000.00		
Nov. 12, 1942		350,655,000.00		350,649,000.00	6,000.00	
Nov. 18, 1942		352,424,000.00		352,374,000.00	50,000.00	
Nov. 25, 1942		352,979,000.00		352,979,000.00		
Dec. 2, 1942		350,868,000.00		350,868,000.00		
Dec. 9, 1942		351,238,000.00		351,138,000.00	100,000.00	
Dec. 16, 1942		402,080,000.00		402,080,000.00		
Dec. 23, 1942		401,540,000.00		401,525,000.00	15,000.00	
Dec. 30, 1942		401,090,000.00		401,090,000.00		
Jan. 6, 1943		400,185,000.00		398,813,000.00	1,372,000.00	
Jan. 13, 1943		400,442,000.00		400,347,000.00	95,000.00	
Jan. 20, 1943		505,084,000.00		505,084,000.00		
Jan. 27, 1943		504,553,000.00		504,553,000.00		
Feb. 3, 1943		500,121,000.00		500,115,000.00	6,000.00	
Feb. 10, 1943		501,437,000.00		500,935,000.00	502,000.00	
Feb. 17, 1943		501,537,000.00		501,502,000.00	35,000.00	
Feb. 24, 1943		501,217,000.00		501,217,000.00		
Mar. 3, 1943		503,232,000.00		503,230,000.00	2,000.00	
Mar. 10, 1943		504,822,000.00		504,541,000.00	281,000.00	
Mar. 17, 1943		600,813,000.00		600,775,000.00	38,000.00	
Mar. 24, 1943		601,096,000.00		601,096,000.00		
Mar. 31, 1943		602,950,000.00		602,844,000.00	106,000.00	
Apr. 7, 1943		600,133,000.00		600,102,000.00	31,000.00	
Apr. 14, 1943		601,545,000.00		601,360,000.00	185,000.00	
Apr. 21, 1943		701,542,000.00		701,481,000.00	61,000.00	
Apr. 28, 1943		702,244,000.00		702,244,000.00		
May 5, 1943		701,851,000.00		701,299,000.00	552,000.00	
May 12, 1943		707,832,000.00		707,832,000.00		
May 19, 1943		703,026,000.00		702,866,000.00	160,000.00	
May 26, 1943		700,809,000.00		700,798,000.00	11,000.00	
June 2, 1943		701,294,000.00		700,356,000.00	938,000.00	
June 9, 1943		705,271,000.00		697,776,000.00	7,495,000.00	
June 16, 1943		802,171,000.00		801,631,000.00	540,000.00	
June 23, 1943		802,079,000.00		801,448,000.00	631,000.00	
June 30, 1943		805,059,000.00		801,888,000.00	3,171,000.00	
July 7, 1943		804,718,000.00				804,718,000.00
July 14, 1943		803,964,000.00				803,964,000.00
July 21, 1943		904,650,000.00				904,650,000.00
July 28, 1943		901,758,000.00				901,758,000.00
Aug. 4, 1943		901,820,000.00				901,820,000.00
Aug. 12, 1943		906,997,000.00				906,997,000.00
Aug. 19, 1943		907,785,000.00				907,785,000.00
Aug. 26, 1943		905,415,000.00				905,415,000.00
Sept. 2, 1943		906,009,000.00				906,009,000.00
Sept. 9, 1943		908,689,000.00				908,689,000.00
Sept. 16, 1943		1,000,489,000.00				1,000,489,000.00
Sept. 23, 1943		1,006,051,000.00				1,006,051,000.00
Sept. 30, 1943		1,005,566,000.00				1,005,566,000.00
Total Treasury bills	2,508,298,000.00	32,646,996,000.00		23,274,822,000.00	16,561,000.00	11,863,911,000.00

Footnotes at end of table.

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TABLE 27.—*Changes in public debt, by issues, fiscal year 1943*—Continued

Detail	Outstanding July 1, 1942	Issues during year	Transferred from interest-bearing debt	Redemptions during year	Transferred to matured debt	Outstanding June 30, 1943
INTEREST-BEARING DEBT—Continued						
Special issues:						
Bonds:						
Adjusted service bonds (Government life insurance fund series)	$500,157,956.40					$500,157,956.40
Treasury notes:						
Federal old-age and survivors insurance trust fund series:						
Old-age reserve account series	523,800,000.00			$523,800,000.00		
Federal old-age and survivors insurance trust fund series	2,609,500,000.00	$1,434,000,000.00				4,043,500,000.00
Railroad retirement fund series	91,500,000.00	213,000,000.00		126,500,000.00		178,000,000.00
Civil service retirement fund series:						
4% series	781,400,000.00	418,400,000.00		140,900,000.00		1,058,900,000.00
3% series	1,250,000.00	503,000.00		332,000.00		1,421,000.00
Foreign service retirement fund series	5,442,000.00	1,411,000.00		738,000.00		6,115,000.00
Canal Zone retirement fund series	6,678,000.00	1,881,000.00		599,000.00		7,960,000.00
Alaska Railroad retirement fund series	1,300,000.00	477,000.00		225,000.00		1,552,000.00
Postal Savings System series	55,000,000.00	312,000,000.00		170,000,000.00		197,000,000.00
Canal Zone Postal Savings System series	1,000,000.00	2,500,000.00		1,250,000.00		2,250,000.00
Government life insurance fund series	36,650,000.00	54,175,000.00		52,825,000.00		38,000,000.00
National service life insurance fund series	38,775,000.00	312,950,000.00				351,725,000.00
Federal Deposit Insurance Corporation series	95,000,000.00	83,000,000.00		75,000,000.00		103,000,000.00
Federal Savings and Loan Insurance Corporation series	5,050,000.00	106,028,000.00		5,000,000.00		106,078,000.00
Certificates of indebtedness:						
Adjusted service certificate fund series	18,435,000.00	18,500,000.00		18,667,000.00		18,268,000.00
Unemployment trust fund series	3,114,000,000.00	5,359,000,000.00		4,216,000,000.00		4,257,000,000.00
¼% special short term		17,911,000,000.00		17,911,000,000.00		
Total special issues	7,884,937,956.40	26,228,825,000.00		23,242,836,000.00		10,870,926,956.40
Total interest-bearing debt	71,968,418,097.81	121,404,510,852.89		57,899,001,480.89	$93,621,675.00	135,380,305,794.81
MATURED DEBT ON WHICH INTEREST HAS CEASED						
Postal savings bonds, etc.:						
6% Oregon war debt	2,100.00					2,100.00
6% Compound interest notes (1864–66) [5]	156,210.00			10.00		156,200.00
4% Refunded loan of 1907 (refunding)	343,400.00			100.00		343,300.00
4% refunding certificates 1879	8,250.00			30.00		8,220.00
5% 1-year notes of 1863	29,940.00			10.00		29,930.00
6% Consols of 1867	83,650.00					83,650.00
4½% Funded loan of 1891 (refunding)	18,700.00					18,700.00
5% Loan of 1904	13,050.00			50.00		13,000.00
3% Loan of 1908–18	102,220.00			140.00		102,080.00

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4% Loan of 1925	16,150.00					16,150.00
2½% Postal savings bonds	35,220.00		$1,500.00	4,440.00		32,280.00
2% Consols of 1930	2,179,300.00			2,151,250.00		28,050.00
2% Panama Canal loan of 1916–36	140.00			40.00		100.00
2% Panama Canal loan of 1918–38	40.00			20.00		20.00
All other issues [6]	605,010.26					605,010.26
Total postal savings bonds, etc.	3,593,380.26		1,500.00	2,156,090.00		1,438,790.26
Liberty loan bonds:						
First Liberty loan:						
First 3½'s	5,420,600.00			456,750.00		4,963,850.00
First 4's	134,650.00			5,050.00		129,600.00
First 4¼'s	1,679,000.00			276,450.00		1,402,550.00
First-second 4¼'s	5,400.00			550.00		4,850.00
Total	7,239,650.00			738,800.00		6,500,850.00
Second Liberty loan:						
Second 4's	446,950.00			11,800.00		435,150.00
Second 4¼'s	619,300.00			34,300.00		585,000.00
Total	1,066,250.00			46,100.00		1,020,150.00
Third Liberty loan 4¼'s	1,697,950.00			48,050.00		1,649,900.00
Fourth Liberty loan 4¼'s	10,110,800.00			1,243,100.00		8,867,700.00
Total Liberty loan bonds	20,114,650.00			2,076,050.00		18,038,600.00
Victory notes:						
Victory 3¾'s	800.00					800.00
Victory 4¾'s	532,500.00			10,600.00		521,900.00
Total Victory notes	533,300.00			10,600.00		522,700.00
Total Liberty loan bonds and Victory notes (on basis of public debt accounts)						18,561,300.00
Adjustment to daily Treasury statement basis						+2,550.00
Total Liberty loan bonds and Victory notes (on daily Treasury statement basis)						18,563,850.00
Treasury bonds:						
3⅜'s bonds of 1940–43	2,700,150.00			1,108,100.00		1,592,050.00
3⅜'s bonds of 1941–43	2,988,100.00			1,399,650.00		1,588,450.00
3¼'s bonds of 1941	1,857,150.00			927,250.00		929,900.00
3⅜'s bonds of 1943–47			56,760,100.00			56,760,100.00
Total Treasury bonds (on basis of public debt accounts)	7,545,400.00		56,760,100.00	3,435,000.00		60,870,500.00
Adjustment to daily Treasury statement basis						+156,275.00
Total Treasury bonds (on daily Treasury statement basis)						61,026,775.00

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TABLE 27.—*Changes in public debt, by issues, fiscal year 1943*—Continued

Detail	Outstanding July 1, 1942	Issues during year	Transferred from interest-bearing debt	Redemptions during year	Transferred to matured debt	Outstanding June 30, 1943
MATURED DEBT ON WHICH INTEREST HAS CEASED—Continued						
Treasury notes, series:						
5¾%—A-1924	$16,200.00					$16,200.00
4⅜%—A-1925	5,000.00					5,000.00
4⅜%—B-1925	27,400.00					27,400.00
4½%—C-1925	10,500.00					10,500.00
4¾%—A-1926	2,800.00					2,800.00
4¼%—B-1926	7,300.00					7,300.00
4½%—A-1927	14,100.00			$5,000.00		9,100.00
4¾%—B-1927	15,200.00			3,000.00		12,200.00
3½%—A-1930-32	108,800.00			6,100.00		102,700.00
3½%—B-1930-32	66,300.00			50.00		66,250.00
3½%—C-1930-32	51,100.00			7,650.00		43,450.00
3¼%—1932	54,200.00			500.00		53,700.00
3%—A-1934	50,500.00			15,000.00		35,500.00
2½%—B-1934	55,000.00					55,000.00
3%—A-1935	80,000.00					80,000.00
1⅜%—B-1935	11,209,200.00			4,407,300.00		6,801,900.00
2½%—C-1935	61,000.00					61,000.00
2½%—D-1935	158,000.00					158,000.00
3¼%—A-1936	159,100.00			32,000.00		127,100.00
2¾%—B-1936	55,300.00			9,900.00		45,400.00
2⅞%—C-1936	151,200.00			45,100.00		106,100.00
1½%—D-1936	800.00					800.00
1⅛%—E-1936	17,400.00			10,000.00		7,400.00
3¼%—A-1937	296,600.00			102,000.00		194,600.00
3%—B-1937	89,500.00			24,100.00		65,400.00
3%—C-1937	53,300.00			10,300.00		43,000.00
2¾%—A-1938	69,000.00			56,000.00		13,000.00
2⅞%—B-1938	183,500.00			55,600.00		127,900.00
3%—C-1938	255,500.00					255,500.00
2½%—D-1938	187,900.00			20,300.00		167,600.00
1¼%—E-1938	11,000.00			10,000.00		1,000.00
2⅛%—A-1939	408,700.00			193,500.00		215,200.00
1⅜%—B-1939	89,400.00			23,100.00		66,300.00
1½%—C-1939	364,900.00			104,300.00		260,600.00
1⅜%—D-1939	42,500.00			33,500.00		9,000.00
1⅝%—A-1940	2,328,050.00			1,464,200.00		863,850.00
1½%—B-1940	800,900.00			241,800.00		559,100.00
1½%—C-1940	382,500.00			203,200.00		179,300.00
1½%—A-1941	1,235,000.00			463,900.00		771,100.00
1⅜%—B-1941	4,891,900.00			606,300.00		4,285,600.00
1¼%—C-1941	1,610,800.00			538,500.00		1,072,300.00
1¾%—A-1942	2,959,500.00			2,373,300.00		586,200.00

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2%—B-1942			$890,700.00			890,700.00
1¼%—C-1942			1,017,800.00			1,017,800.00
1⅛%—A-1943			9,546,000.00			9,546,000.00
¾%—D-1943			160,400.00			160,400.00
Total Treasury notes (on basis of public debt accounts)	28,636,850.00		11,614,900.00	11,065,500.00		29,186,250.00
Adjustment to daily Treasury statement basis						+12,000.00
Total Treasury notes (on daily Treasury statement basis)						29,198,250.00
Certificates of indebtedness:						
Tax issues, series:						
4½%—T-10	1,000.00					1,000.00
4¾%—TM-1921	500.00					500.00
6%—TJ-1921	1,500.00					1,500.00
6%—TS-1921	1,500.00					1,500.00
6%—TD-1921	2,000.00					2,000.00
5½%—TS-2-1921	1,000.00					1,000.00
5¾%—TM-1922	1,000.00					1,000.00
4½%—TS-2-1922	500.00					500.00
4½%—TD-1922	1,000.00					1,000.00
4¼%—TM-1923	1,000.00					1,000.00
3¾%—TS-1923	500.00					500.00
4½%—TM-1924	1,000.00					1,000.00
4%—TM-1925	1,000.00					1,000.00
3⅜%—TM-1929	3,500.00					3,500.00
4½%—TJ-1929	1,700.00					1,700.00
4¾%—TS-1929	11,500.00					11,500.00
4¼%—TD-1929	53,000.00					53,000.00
4¾%—TD-2-1929	2,500.00					2,500.00
5⅛%—TM-1930	68,500.00					68,500.00
4⅞%—TJ-1930	11,500.00					11,500.00
3⅛%—TS-1930	2,000.00					2,000.00
3¼%—TD-1930	4,000.00					4,000.00
2%—TM-1932	1,000.00					1,000.00
2¾%—TJ-1932	406,000.00					406,000.00
1⅛%—TS-1932	3,500.00					3,500.00
3%—TS-2-1932	135,000.00					135,000.00
3⅛%—TO-1932	22,000.00					22,000.00
3¾%—TM-1933	109,000.00			10,000.00		99,000.00
2%—First-maturing Mar. 15, 1933	39,000.00			1,850.00		37,150.00
1½%—TJ-1933	250,000.00			100,000.00		150,000.00
4%—TAG-1933	21,500.00			4,000.00		17,500.00
1¼%—TS-1933	41,000.00			10,000.00		31,000.00
¾%—TD-1933	519,000.00			38,000.00		481,000.00
4¼%—TD-2-1933	120,000.00			20,000.00		100,000.00
¾%—TM-1934	21,000.00					21,000.00
½%—TJ-1934	359,000.00			350,000.00		9,000.00
2¼%—TD-1934	10,500.00			500.00		10,000.00

Footnotes at end of table.

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TABLE 27.—*Changes in public debt, by issues, fiscal year 1943*—Continued

Detail	Outstanding July 1, 1942	Issues during year	Transferred from interest-bearing debt	Redemptions during year	Transferred to matured debt	Outstanding June 30, 1943
MATURED DEBT ON WHICH INTEREST HAS CEASED—Continued						
Certificate of indebtedness—Continued.						
Loan issues, series:						
4½%—IVA-1918	$500.00					$500.00
5¼%—G-1920	1,000.00					1,000.00
5¼%—H-1921	500.00					500.00
5½%—A-1922	1,000.00					1,000.00
3⅛%—A-1932	20,000.00					20,000.00
3¾%—A-1933	3,500.00					3,500.00
2%—B-1933	10,000.00			$10,000.00		
½%—A-1942			$797,000.00			797,000.00
⅝%—A-1943			1,259,000.00			1,259,000.00
0.65%—C-1943			6,410,000.00			6,410,000.00
Total certificates of indebtedness (on basis of public debt accounts)	2,265,700.00		8,466,000.00	544,350.00		10,187,350.00
Adjustment to daily Treasury statement basis						+27,000.00
Total certificates of indebtedness (on daily Treasury statement basis)						10,214,350.00
Treasury bills, series matured:						
May 18, 1932	21,000.00					21,000.00
May 17, 1933	16,000.00					16,000.00
Aug. 9, 1933	2,000.00			2,000.00		
Sept. 5, 1934	4,000.00			4,000.00		
June 5, 1935	12,000.00			2,000.00		10,000.00
Aug. 28, 1935	30,000.00			30,000.00		
Sept. 18, 1935	25,000.00					25,000.00
Dec. 31, 1935	10,000.00					10,000.00
June 3, 1936	19,000.00					19,000.00
June 10, 1936	8,000.00			8,000.00		
May 12, 1937	15,000.00					15,000.00
June 9, 1937	11,000.00			9,000.00		2,000.00
Sept. 15, 1937	35,000.00			13,000.00		22,000.00
Nov. 24, 1937	45,000.00			35,000.00		10,000.00
Dec. 16, 1937	50,000.00			50,000.00		
Feb. 23, 1938	20,000.00			20,000.00		
Mar. 9, 1938	20,000.00			10,000.00		10,000.00
Mar. 19, 1938	10,000.00					10,000.00
Mar. 30, 1938	15,000.00			15,000.00		
Apr. 27, 1938	222,000.00					222,000.00
June 1, 1938	50,000.00			50,000.00		

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June 8, 1938	40,000.00				40,000.00
June 8, 1938	1,000.00			1,000.00	
June 16, 1938	11,000.00				11,000.00
June 29, 1938	50,000.00				50,000.00
Aug. 24, 1938	18,000.00			18,000.00	
Sept. 28, 1938	21,000.00			21,000.00	
Dec. 7, 1938	1,000.00				1,000.00
Dec. 28, 1938	350,000.00			350,000.00	
Feb. 8, 1939	5,000.00			5,000.00	
Mar. 15, 1939	18,000.00			18,000.00	
Mar. 22, 1939	30,000.00			30,000.00	
Apr. 12, 1939	5,000.00			5,000.00	
May 31, 1939	300,000.00				300,000.00
June 14, 1939	51,000.00			51,000.00	
June 28, 1939	255,000.00			255,000.00	
July 12, 1939	51,000.00			50,000.00	1,000.00
July 19, 1939	28,000.00			28,000.00	
Aug. 23, 1939	200,000.00			200,000.00	
Aug. 30, 1939	10,000.00			10,000.00	
Sept. 20, 1939	180,000.00			150,000.00	30,000.00
Oct. 18, 1939	122,000.00			122,000.00	
Dec. 13, 1939	16,000.00			16,000.00	
Dec. 20, 1939	10,000.00				10,000.00
Jan. 17, 1940	10,000.00			10,000.00	
Jan. 24, 1940	1,000.00				1,000.00
Feb 14, 1940	19,000.00			19,000.00	
Mar. 6, 1940	10,000.00			10,000.00	
Mar. 20, 1940	89,000.00			39,000.00	50,000.00
Mar. 27, 1940	10,000.00				10,000.00
Apr. 10, 1940	4,000.00			4,000.00	
Apr. 17, 1940	543,000.00			424,000.00	119,000.00
Apr. 24, 1940	13,000.00			10,000.00	3,000.00
May 8, 1940	136,000.00			85,000.00	51,000.00
May 15, 1940	60,000.00			40,000.00	20,000.00
May 22, 1940	42,000.00			39,000.00	3,000.00
June 5, 1940	221,000.00			56,000.00	165,000.00
June 19, 1940	10,000.00			10,000.00	
June 26, 1940	13,000.00			13,000.00	
July 3, 1940	1,000.00				1,000.00
July 10, 1940	11,000.00			11,000.00	
July 24, 1940	10,000.00			10,000.00	
Aug. 21, 1940	31,000.00			31,000.00	
Sept. 4, 1940	55,000.00			55,000.00	
Sept. 11, 1940	67,000.00			47,000.00	20,000.00
Sept. 25, 1940	3,000.00			3,000.00	
Oct. 23, 1940	20,000.00			20,000.00	
Oct. 30, 1940	14,000.00			14,000.00	
Nov. 13, 1940	25,000.00				25,000.00
Nov. 20, 1940	20,000.00				20,000.00
Dec. 4, 1940	190,000.00			190,000.00	
Dec. 11, 1940	53,000.00			53,000.00	

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TABLE 27.—*Changes in public debt, by issues, fiscal year 1943*—Continued

Detail	Outstanding July 1, 1942	Issues during year	Transferred from interest-bearing debt	Redemptions during year	Transferred to matured debt	Outstanding June 30, 1943
MATURED DEBT ON WHICH INTEREST HAS CEASED—Continued						
Treasury bills, series matured—Continued.						
Jan. 2, 1941	$55,000.00			$55,000.00		
Jan. 8, 1941	125,000.00			105,000.00		$20,000.00
Jan. 15, 1941	134,000.00			109,000.00		25,000.00
Jan. 22, 1941	115,000.00			115,000.00		
Jan. 29, 1941	118,000.00			108,000.00		10,000.00
Feb. 5, 1941	283,000.00			283,000.00		
Feb. 13, 1941 (National defense series)	2,000.00			2,000.00		
Feb. 19, 1941 (National defense series)	151,000.00			141,000.00		10,000.00
Feb. 26, 1941 (National defense series)	103,000.00			103,000.00		
Mar. 12, 1941 (National defense series)	100,000.00			100,000.00		
Mar. 19, 1941 (National defense series)	20,000.00			20,000.00		
Mar. 26, 1941 (National defense series)	60,000.00			48,000.00		12,000.00
May 7, 1941 (National defense series)	17,000.00			17,000.00		
May 14, 1941 (National defense series)	45,000.00			35,000.00		10,000.00
May 21, 1941 (National defense series)	80,000.00			80,000.00		
May 28, 1941 (National defense series)	145,000.00			145,000.00		
June 4, 1941	432,000.00			396,000.00		36,000.00
June 11, 1941	31,000.00			11,000.00		20,000.00
June 18, 1941	48,000.00			5,000.00		43,000.00
June 25, 1941	3,000.00			3,000.00		
July 2, 1941	200,000.00			200,000.00		
July 16, 1941	30,000.00			30,000.00		
July 30, 1941	44,000.00			44,000.00		
Aug. 6, 1941	50,000.00			50,000.00		
Aug. 13, 1941	42,000.00			30,000.00		12,000.00
Aug. 20, 1941	400,000.00			400,000.00		
Sept. 3, 1941	497,000.00			467,000.00		30,000.00
Sept. 24, 1941	60,000.00			50,000.00		10,000.00
Oct. 1, 1941	75,000.00			50,000.00		25,000.00
Oct. 8, 1941	5,000.00			5,000.00		
Oct. 15, 1941	90,000.00			90,000.00		
Oct. 29, 1941	975,000.00			975,000.00		
Dec. 3, 1941	35,000.00			35,000.00		
Dec. 10, 1941	722,000.00			22,000.00		700,000.00
Dec. 24, 1941	130,000.00			95,000.00		35,000.00
Dec. 31, 1941	69,000.00			69,000.00		
Jan. 7, 1942	493,000.00			467,000.00		26,000.00
Jan. 14, 1942	3,955,000.00			3,844,000.00		111,000.00
Jan. 21, 1942	648,000.00			648,000.00		
Jan. 28, 1942	208,000.00			158,000.00		50,000.00
Feb. 4, 1942	27,000.00			22,000.00		5,000.00
Feb. 18, 1942	303,000.00			303,000.00		
Feb. 25, 1942	374,000.00			284,000.00		90,000.00
Mar. 4, 1942	490,000.00			370,000.00		120,000.00
Mar. 11, 1942	280,000.00			265,000.00		15,000.00

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Mar. 18, 1942	100,000.00			100,000.00		
Mar. 16, 1942	1,370,000.00			1,370,000.00		
Mar. 17, 1942	626,000.00			626,000.00		
Mar. 19, 1942	300,000.00			260,000.00		40,000.00
Apr. 15, 1942	359,000.00			258,000.00		101,000.00
Apr. 22, 1942	1,541,000.00			1,529,000.00		12,000.00
Apr. 29, 1942	277,000.00			272,000.00		5,000.00
May 6, 1942	1,127,000.00			1,103,000.00		24,000.00
May 13, 1942	530,000.00			530,000.00		
May 20, 1942	688,000.00			688,000.00		
May 27, 1942	309,000.00			309,000.00		
June 3, 1942	668,000.00			539,000.00		129,000.00
June 10, 1942	2,073,000.00			1,867,000.00		206,000.00
June 17, 1942	6,440,000.00			6,440,000.00		
June 16, 1942	1,585,000.00			1,550,000.00		35,000.00
June 18, 1942	512,000.00			487,000.00		25,000.00
June 19, 1942	551,000.00			516,000.00		35,000.00
Aug. 12, 1942			$64,000.00			64,000.00
Aug. 26, 1942			20,000.00			20,000.00
Sept. 2, 1942			2,000.00			2,000.00
Sept. 16, 1942			5,000.00			5,000.00
Oct. 7, 1942			67,000.00			67,000.00
Oct. 21, 1942			20,000.00			20,000.00
Nov. 12, 1942			6,000.00			6,000.00
Nov. 18, 1942			50,000.00			50,000.00
Dec. 9, 1942			100,000.00			100,000.00
Dec. 23, 1942			15,000.00			15,000.00
Jan. 6, 1943			1,372,000.00			1,372,000.00
Jan. 13, 1943			95,000.00			95,000.00
Feb. 3, 1943			6,000.00			6,000.00
Feb. 10, 1943			502,000.00			502,000.00
Feb. 17, 1943			35,000.00			35,000.00
Mar. 3, 1943			2,000.00			2,000.00
Mar. 10, 1943			281,000.00			281,000.00
Mar. 17, 1943			38,000.00			38,000.00
Mar. 31, 1943			106,000.00			106,000.00
Apr. 7, 1943			31,000.00			31,000.00
Apr. 14, 1943			185,000.00			185,000.00
Apr. 21, 1943			61,000.00			61,000.00
May 5, 1943			552,000.00			552,000.00
May 19, 1943			160,000.00			160,000.00
May 26, 1943			11,000.00			11,000.00
June 2, 1943			938,000.00			938,000.00
June 9, 1943			7,495,000.00			7,495,000.00
June 16, 1943			541,000.00			541,000.00
June 23, 1943			631,000.00			631,000.00
June 30, 1943			3,171,000.00			3,171,000.00
Total Treasury bills (on basis of public debt accounts)	35,419,000.00		16,562,000.00	32,069,000.00		19,912,000.00
Adjustment to daily Treasury statement basis						−1,000.00
Total Treasury bills (on daily Treasury statement basis)						19,911,000.00

Footnotes at end of table.

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TABLE 27.—*Changes in public debt, by issues, fiscal year 1943*—Continued

Detail	Outstanding July 1, 1942	Issues during year	Transferred from interest-bearing debt	Redemptions during year	Transferred to matured debt	Outstanding June 30, 1943
MATURED DEBT ON WHICH INTEREST HAS CEASED—Continued						
Treasury (war) savings securities:						
Treasury savings certificates:						
Issued Dec. 15, 1921	$26,025.00			$1,400.00		$24,625.00
Issued Sept. 30, 1922	92,225.00			6,925.00		85,300.00
Issued Dec. 1, 1923	38,750.00			1,600.00		37,150.00
Total Treasury savings certificates	157,000.00			9,925.00		147,075.00
Total matured debt on which interest has ceased (on basis of public debt accounts)	98,265,280.26		$93,404,500.00	51,366,515.00		140,303,265.26
Adjustment to daily Treasury statement basis						+196,825.00
Total matured debt on which interest has ceased (daily Treasury statement basis)						140,500,090.26
DEBT BEARING NO INTEREST						
United States savings stamps (including unclassified sales)		$607,967,792.81		395,558,666.50		212,409,126.31
Adjustment to daily Treasury statement basis						+940,808.93
						213,349,935.24
United States notes (less gold reserve)	190,641,585.07					190,641,585.07
Old demand notes	53,012.50			95.00		52,917.50
National and Federal Reserve Bank notes	159,313,006.50	623,777,500.00		16,761,622.00		766,328,884.50
Adjustment to daily Treasury statement basis						−800,000.00
						765,528,884.50
Fractional currency	1,969,954.83			431.06		1,969,523.77
Thrift and Treasury savings stamps (unclassified sales, etc.)	3,749,712.25			8,139.75		3,741,572.50
Adjustment to daily Treasury statement basis						+26.25
						3,741,598.75
Total debt bearing no interest (basis of public debt accounts)	355,727,271.15	1,231,745,292.81		412,328,954.31		1,175,143,609.65

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Adjustment to daily Treasury statement basis						+140,835.18
Total debt bearing no interest (daily Treasury statement basis)						1,175,284,444.83
Total gross debt outstanding (daily Treasury statement basis)						[1] 136,696,090,329.90

[1] Adjustment is occasioned by items in transit on June 30, 1943, not reflected in the daily Treasury statement. The adjustment by classes of securities is as follows:

Class of security	Outstanding on basis of daily Treasury statement	Adjustment for items in transit	Outstanding on basis of public debt accounts
INTEREST-BEARING DEBT			
United States savings bonds	$21,256,166,543.41	+$2,757,013.18	$21,258,923,556.59
3% adjusted service bonds of 1945	221,902,200.00	−4,650.00	221,897,550.00
Treasury notes (various)	16,663,388,525.00	−393,400.00	16,662,995,125.00
Total interest-bearing debt	135,380,305,794.81	+2,358,963.18	135,382,664,757.99
MATURED DEBT			
Liberty loan bonds and Victory notes	18,563,850.00	−2,550.00	18,561,300.00
Treasury bonds (various)	61,026,775.00	−156,275.00	60,870,500.00
Treasury notes (various)	29,198,250.00	−12,000.00	29,186,250.00
Certificates of indebtedness	10,214,350.00	−27,000.00	10,187,350.00
Treasury bills	19,911,000.00	+1,000.00	19,912,000.00
Total matured debt	140,500,090.26	−196,825.00	140,303,265.26
DEBT BEARING NO INTEREST			
United States savings stamps	213,349,935.24	−940,808.93	212,409,126.31
National bank and Federal Reserve Bank notes	765,528,884.50	+800,000.00	766,328,884.50
Thrift and Treasury savings stamps (unclassified sales, etc.)	3,741,598.75	−26.25	3,741,572.50
Total debt bearing no interest	1,175,284,444.83	−140,835.18	1,175,143,609.65
Total gross debt outstanding	136,696,090,329.90	+2,021,303.00	136,698,111,632.90

[2] Amounts issued and redeemed for Series A to F bonds include issue price plus accrued discount; amounts outstanding are stated at current redemption value. Amounts issued, retired, and outstanding for Series G bonds are stated at par value.
[3] Deduct. Represents excess of amounts transferred from unclassified sales to sales of a designated series over amounts received as unclassified sales.
[4] For details of issues during year, see exhibit 37, p. 335.
[5] Interest compounded.
[6] Represents issues in which there were no transactions during the fiscal years 1930 to 1943; for amount of each issue outstanding (unchanged since June 30, 1929), see annual report for 1929, p. 478.

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TABLE 28.—*Issues, maturities, and redemptions of interest-bearing securities, exclusive of trust account and other special issues, July 1942 through June 1943* [1]

Date	Issue	Rate of interest [2]	Amount issued [3]	Amount matured, or called or redeemed prior to maturity [4]
1942		*Percent*		
July 1	Postal savings bonds, series 23	2½		$20,560.00
1	Treasury bills, maturing Sept. 30, 1942	.360	$301,863,000.00	
8	Treasury bills, maturing Oct. 7, 1942	.365	300,081,000.00	
15	Treasury bonds of 1949–51	2	2,097,617,600.00	
15	Treasury bills, issued Apr. 15, 1942	.281		150,073,000.00
15	Treasury bills, maturing Oct. 14, 1942	.365	301,187,000.00	
22	Treasury bills, issued Apr. 22, 1942	.317		150,058,000.00
22	Treasury bills, maturing Oct. 21, 1942	.368	351,862,000.00	
29	Treasury bills, issued Apr. 29, 1942	.335		150,126,000.00
29	Treasury bills, maturing Oct. 28, 1942	.369	350,308,000.00	
31	United States savings bonds, Series A–1935	2.90	204,075.50	259,285.75
31	United States savings bonds, Series B–1936	2.90	808,571.00	562,878.25
31	United States savings bonds, Series C–1937	2.90	1,443,324.50	730,476.00
31	United States savings bonds, Series C–1938	2.90	1,569,538.50	995,725.25
31	United States savings bonds, Series D–1939	2.90	2,672,637.75	1,857,847.25
31	United States savings bonds, Series D–1940	2.90	4,248,130.25	2,199,228.50
31	United States savings bonds, Series D–1941	2.90	2,252,842.25	1,035,365.50
31	United States savings bonds, Series E–1941	2.90	677,086.38	4,204,578.58
31	United States savings bonds, Series F–1941	2.53	221,054.00	426,627.80
31	United States savings bonds, Series G–1941	2.50	35,000.00	2,119,600.00
31	United States savings bonds, Series E–1942	2.90	378,452,518.75	10,601,531.50
31	United States savings bonds, Series F–1942	2.53	73,542,473.00	64,269.00
31	United States savings bonds, Series G–1942	2.50	319,017,600.00	403,400.00
31	United States savings bonds, unclassified sales	2.90	129,967,766.45	
31	Depositary bonds	2	2,220,000.00	
31	Adjusted service bonds	3	101,100.00	1,097,600.00
31	Treasury notes, Tax Series A–1943	1.92		280,800.00
31	Treasury notes, Tax Series B–1943	.48		24,328,600.00
31	Treasury notes, Tax Series A–1944	1.92	5,989,175.00	196,925.00
31	Treasury notes, Tax Series B–1944	.48	382,190,725.00	21,248,100.00
	Miscellaneous			500.00
	Total, July		5,008,532,218.33	522,890,898.38
Aug. 3	Treasury bonds of 1962–67 (additional issue)	2½	1,235,966,500.00	
5	Treasury bills, issued May 6, 1942	.358		150,400,000.00
5	Treasury bills, maturing Nov. 4, 1942	.372	352,565,000.00	
12	Treasury bills, issued May 13, 1942	.368		250,692,000.00
12	Treasury bills, maturing Nov. 12, 1942	.372	350,655,000.00	
15	Certificates of indebtedness, Series B–1943	⅞	1,609,332,000.00	
19	Treasury bills, issued May 20, 1942	.365		251,735,000.00
19	Treasury bills, maturing Nov. 18, 1942	.372	352,424,000.00	
26	Treasury bills, issued May 27, 1942	.365		250,986,000.00
26	Treasury bills, maturing Nov. 25, 1942	.369	352,979,000.00	
31	United States savings bonds, Series A–1935	2.90	113,259.75	346,045.25
31	United States savings bonds, Series B–1936	2.90	466,197.75	652,424.00
31	United States savings bonds, Series C–1937	2.90	776,419.25	859,212.75
31	United States savings bonds, Series C–1938	2.90	864,762.50	1,103,434.00
31	United States savings bonds, Series D–1939	2.90	1,409,486.00	2,156,210.75
31	United States savings bonds, Series D–1940	2.90	1,749,167.50	2,622,258.50
31	United States savings bonds, Series D–1941	2.90	2,098,694.50	1,289,108.00
31	United States savings bonds, Series E–1941	2.90	731,067.50	4,293,427.95
31	United States savings bonds, Series F–1941	2.53	184,192.70	567,313.10
31	United States savings bonds, Series G–1941	2.50	32,600.00	2,487,200.00
31	United States savings bonds, Series E–1942	2.90	419,594,625.00	14,718,770.19
31	United States savings bonds, Series F–1942	2.53	52,132,648.50	197,432.00
31	United States savings bonds, Series G–1942	2.50	190,986,900.00	883,100.00
31	United States savings bonds, unclassified sales	2.90	34,358,748.57	
31	Depositary bonds	2	7,031,000.00	10,000.00
31	Adjusted service bonds	3	75,900.00	807,500.00
31	Treasury notes, Tax Series A–1943	1.92		153,975.00
31	Treasury notes, Tax Series B–1943	.48		15,314,100.00
31	Treasury notes, Tax Series A–1944	1.92	5,139,525.00	139,375.00
31	Treasury notes, Tax Series B–1944	.48	412,804,575.00	19,668,400.00
	Miscellaneous			1,000.00
	Total, August		5,384,471,269.52	972,083,286.49
Sept. 2	Treasury bills, issued June 3, 1942	.365		251,301,000.00
2	Treasury bills, maturing Dec. 2, 1942	.367	350,868,000.00	
9	Treasury bills, issued June 10, 1942	.366		300,772,000.00
9	Treasury bills, maturing Dec. 9, 1942	.368	351,238,000.00	
15	Treasury notes, Series B–1942	2		342,143,300.00
15	Certificates of indebtedness, special series	¼	324,000,000.00	
16	Certificates of indebtedness, special series	¼		324,000,000.00
16	Treasury bills, issued June 17, 1942	.365		301,046,000.00
16	Treasury bills, maturing Dec. 16, 1942	.369	402,080,000.00	

Footnotes at end of table.

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TABLE 28.—*Issues, maturities, and redemptions of interest-bearing securities, exclusive of trust account and other special issues, July 1942 through June 1943* [1]—Continued

Date	Issue	Rate of interest [2]	Amount issued [3]	Amount matured, or called or redeemed prior to maturity [4]
1942		*Percent*		
Sept. 16	Certificates of indebtedness, special series	¼	$189,000,000.00	
17	Certificates of indebtedness, special series	¼		$189,000,000.00
17	Certificates of indebtedness, special series	¼	286,000,000.00	
17	Treasury bills, issued June 24, 1942	.362		301,109,000.00
18	Certificates of indebtedness, special series	¼		286,000,000.00
18	Certificates of indebtedness, special series	¼	76,000,000.00	
19	Certificates of indebtedness, special series	¼		76,000,000.00
19	Certificates of indebtedness, special series	¼	53,000,000.00	
21	Certificates of indebtedness, special series	¼		53,000,000.00
21	Certificates of indebtedness, Series C-1943	.65	1,505,727,000.00	
23	Treasury bills, maturing Dec. 23, 1942	.370	401,540,000.00	
25	Treasury notes, Series C-1945	1¼	1,606,204,500.00	
30	Treasury bills, issued July 1, 1942	.360		301,863,000.00
30	Treasury bills, maturing Dec. 30, 1942	.373	401,090,000.00	
30	United States savings bonds, Series A-1935	2.90	463,500.00	371,743.25
30	United States savings bonds, Series B-1936	2.90	502,351.00	655,721.75
30	United States savings bonds, Series C-1937	2.90	682,117.25	909,851.00
30	United States savings bonds, Series C-1938	2.90	822,612.25	1,047,131.75
30	United States savings bonds, Series D-1939	2.90	1,195,840.75	1,897,886.50
30	United States savings bonds, Series D-1940	2.90	2,156,922.25	2,486,064.75
30	United States savings bonds, Series D-1941	2.90	677,519.25	987,587.50
30	United States savings bonds, Series E-1941	2.90	745,887.25	3,963,083.92
30	United States savings bonds, Series F-1941	2.53	124,164.90	418,190.65
30	United States savings bonds, Series G-1941	2.50	32,300.00	1,732,000.00
30	United States savings bonds, Series E-1942	2.90	390,499,209.25	18,567,073.56
30	United States savings bonds, Series F-1942	2.53	60,730,708.50	227,531.50
30	United States savings bonds, Series G-1942	2.50	183,994,100.00	1,024,700.00
30	United States savings bonds, unclassified sales	2.90	119,309,716.85	
30	Depositary bonds	2	5,910,000.00	25,000.00
30	Adjusted service bonds	3	61,950.00	843,850.00
30	Treasury notes, Tax Series A-1943	1.92		3,595,375.00
30	Treasury notes, Tax Series B-1943	.48		425,574,100.00
30	Treasury notes, Tax Series A-1944	1.92	1,398,450.00	1,390,750.00
30	Treasury notes, Tax Series B-1944	.48	82,093,700.00	149,513,400.00
30	Treasury notes, Tax Series A-1945	1.92	51,181,200.00	
30	Treasury notes, Tax Series C-1945	1.07	843,207,100.00	
	Total, September		7,692,536,849.50	3,341,465,341.13
Oct. 7	Treasury bills, issued July 8, 1942	.365		300,081,000.00
7	Treasury bills, maturing Jan. 6, 1943	.369	400,185,000.00	
14	Treasury bills, issued July 15, 1942	.365		301,187,000.00
14	Treasury bills, maturing Jan. 13, 1943	.373	400,442,000.00	
15	Treasury notes, Series B-1946 (additional issue)	1½	2,142,390,600.00	
19	Treasury bonds of 1950–52 (dated Oct. 19, 1942)	2	1,962,688,300.00	
21	Treasury bills, issued July 22, 1942	.368		351,862,000.00
21	Treasury bills, maturing Jan. 20, 1943	.373	505,084,000.00	
28	Treasury bills, issued July 29, 1942	.370		350,308,000.00
28	Treasury bills, maturing Jan. 27, 1943	.373	504,553,000.00	
31	United States savings bonds, Series A-1935	2.90	415,475.75	288,823.00
31	United States savings bonds, Series B-1936	2.90	505,854.25	499,012.00
31	United States savings bonds, Series C-1937	2.90	595,962.25	805,276.25
31	United States savings bonds, Series C-1938	2.90	832,639.00	945,904.00
31	United States savings bonds, Series D-1939	2.90	1,164,116.00	1,964,494.25
31	United States savings bonds, Series D-1940	2.90	1,448,939.75	2,377,964.50
31	United States savings bonds, Series D-1941	2.90	815,562.75	1,053,204.50
31	United States savings bonds, Series E-1941	2.90	828,663.25	3,779,432.02
31	United States savings bonds, Series F-1941	2.53	660,576.00	495,638.15
31	United States savings bonds, Series G-1941	2.50	24,200.00	1,714,700.00
31	United States savings bonds, Series E-1942	2.90	741,251,947.50	24,322,781.25
31	United States savings bonds, Series F-1942	2.53	60,497,221.50	409,220.00
31	United States savings bonds, Series G-1942	2.50	209,562,800.00	1,468,200.00
31	United States savings bonds, unclassified sales	2.90	[5] *76,448,500.04*	
31	Depositary bonds	2	7,870,000.00	
31	Adjusted service bonds	3	54,550.00	728,100.00
31	Treasury notes, Tax Series A-1943	1.92		124,600.00
31	Treasury notes, Tax Series B-1943	.48		35,476,800.00
31	Treasury notes, Tax Series A-1944	1.92		181,825.00
31	Treasury notes, Tax Series B-1944	.48		78,265,200.00
31	Treasury notes, Tax Series A-1945	1.92	54,716,350.00	148,850.00
31	Treasury notes, Tax Series C-1945	1.07	886,358,700.00	450,000.00
	Miscellaneous			1,000.00
	Total, October		7,806,497,957.96	1,458,939,024.92

Footnotes at end of table.

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TABLE 28.—*Issues, maturities, and redemptions of interest-bearing securities, exclusive of trust account and other special issues, July 1942 through June 1943* [1]—Continued

Date	Issue	Rate of interest [2]	Amount issued [3]	Amount matured, or called or redeemed prior to maturity [4]
1942		*Percent*		
Nov. 1	Certificates of indebtedness, Series A-1942	½		$1,507,083,000.00
2	Certificates of indebtedness, Series D-1943	⅞	$2,035,254,000.00	
4	Treasury bills, issued Aug. 5, 1942	.372		352,565,000.00
4	Treasury bills, maturing Feb. 3, 1943	.373	500,121,000.00	
12	Treasury bills, issued Aug. 12, 1942	.372		350,655,000.00
12	Treasury bills, maturing Feb. 10, 1943	.373	501,437,000.00	
18	Treasury bills, issued Aug. 19, 1942	.372		352,424,000.00
18	Treasury bills, maturing Feb. 17, 1943	.371	501,537,000.00	
25	Treasury bills, issued Aug. 26, 1942	.369		352,979,000.00
25	Treasury bills, maturing Feb. 24, 1943	.370	501,217,000.00	
27	Certificates of indebtedness, special series	¼	139,000,000.00	
28	Certificates of indebtedness, special series	¼		139,000,000.00
28	Certificates of indebtedness, special series	¼	329,000,000.00	
30	Certificates of indebtedness, special series	¼		329,000,000.00
30	Certificates of indebtedness, special series	¼	422,000,000.00	
30	United States savings bonds, Series A-1935	2.90	344,226.75	224,414.50
30	United States savings bonds, Series B-1936	2.90	463,777.00	482,236.25
30	United States savings bonds, Series C-1937	2.90	535,077.00	684,469.00
30	United States savings bonds, Series C-1938	2.90	743,841.75	746,667.50
30	United States savings bonds, Series D-1939	2.90	1,379,569.25	1,491,988.25
30	United States savings bonds, Series D-1940	2.90	1,257,513.00	1,819,029.75
30	United States savings bonds, Series D-1941	2.90	1,875.00	869,232.75
30	United States savings bonds, Series E-1941	2.90	1,538,753.19	3,156,214.94
30	United States savings bonds, Series F-1941	2.53	445,549.05	355,120.90
30	United States savings bonds, Series G-1941	2.50	7,500.00	2,088,800.00
30	United States savings bonds, Series E-1942	2.90	531,301,229.50	28,886,561.25
30	United States savings bonds, Series F-1942	2.53	44,718,607.00	387,593.50
30	United States savings bonds, Series G-1942	2.50	148,203,400.00	1,968,800.00
30	United States savings bonds, unclassified sales	2.90	10,266,929.93	
30	Depositary bonds	2	8,664,000.00	
30	Adjusted service bonds	3	55,600.00	490,200.00
30	Treasury notes, Tax Series A-1943	1.92		73,150.00
30	Treasury notes, Tax Series B-1943	.48		13,965,400.00
30	Treasury notes, Tax Series A-1944	1.92	25.00	121,475.00
30	Treasury notes, Tax Series B-1944	.48		27,494,550.00
30	Treasury notes, Tax Series A-1945	1.92	33,489,550.00	225,050.00
30	Treasury notes, Tax Series C-1945	1.07	748,147,000.00	762,000.00
	Total, November		6,461,130,023.42	3,469,998,953.59
Dec. 1	Certificates of indebtedness, special series	¼		422,000,000.00
1	Certificates of indebtedness, special series	¼	98,000,000.00	
1	Certificates of indebtedness, Series E-1943	⅞	3,799,736,000.00	
1	Treasury bonds of 1948	1¾	3,061,856,000.00	
1	Treasury bonds of 1963-68	2½	2,830,914,000.00	
2	Certificates of indebtedness, special series	¼		98,000,000.00
2	Treasury bills, issued Sept. 2, 1942	.367		350,868,000.00
2	Treasury bills, maturing Mar. 3, 1943	.368	503,232,000.00	
9	Treasury bills, issued Sept. 9, 1942	.368		351,238,000.00
9	Treasury bills, maturing Mar. 10, 1943	.367	504,822,000.00	
10	Certificates of indebtedness, special series	¼	16,000,000.00	
11	Certificates of indebtedness, special series	¼		16,000,000.00
15	Treasury notes, Series C-1942	1¼		232,375,200.00
15	Certificates of indebtedness, special series	¼	145,000,000.00	
16	Certificates of indebtedness, special series	¼		145,000,000.00
16	Treasury bills, issued Sept. 16, 1942	.369		402,080,000.00
16	Treasury bills, maturing Mar. 17, 1943	.364	600,813,000.00	
23	Treasury bills, issued Sept. 23, 1942	.370		401,540,000.00
23	Treasury bills, maturing Mar. 24, 1943	.363	601,096,000.00	
30	Treasury bills, issued Sept. 30, 1942	.373		401,090,000.00
30	Treasury bills, maturing Mar. 31, 1943	.365	602,950,000.00	
31	United States savings bonds, Series A-1935	2.90	$555,186.25	$190,311.25
31	United States savings bonds, Series B-1936	2.90	873,877.00	568,042.25
31	United States savings bonds, Series C-1937	2.90	778,409.00	578,270.25
31	United States savings bonds, Series C-1938	2.90	1,086,780.25	814,255.75
31	United States savings bonds, Series D-1939	2.90	2,180,143.25	1,762,281.00
31	United States savings bonds, Series D-1940	2.90	1,852,633.00	2,064,371.50
31	United States savings bonds, Series D-1941	2.90	1,575.00	755,277.25
31	United States savings bonds, Series E-1941	2.90	3,848,922.48	3,366,427.29
31	United States savings bonds, Series F-1941	2.53	253,796.45	415,995.12
31	United States savings bonds, Series G-1941	2.50	66,100.00	1,745,900.00
31	United States savings bonds, Series E-1942	2.90	706,113,650.50	40,413,350.50
31	United States savings bonds, Series F-1942	2.53	65,962,285.00	506,622.50
31	United States savings bonds, Series G-1942	2.50	222,331,800.00	1,470,500.00
31	United States savings bonds, unclassified sales	2.90	19,661,851.80	

Footnotes at end of table.

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TABLE 28.—*Issues, maturities, and redemptions of interest-bearing securities, exclusive of trust account and other special issues, July 1942 through June 1943* [1]—Continued

Date	Issue	Rate of interest [2]	Amount issued [3]	Amount matured, or called or redeemed prior to maturity [4]
1942		*Percent*		
Dec. 31	Depositary bonds	2	$18,990,000.00	
31	Adjusted service bonds	3	44,950.00	$500,000.00
31	Treasury notes, Tax Series A-1943	1.92		5,060,900.00
31	Treasury notes, Tax Series B-1943	.48		388,142,700.00
31	Treasury notes, Tax Series A-1944	1.92		2,749,625.00
31	Treasury notes, Tax Series B-1944	.48		205,094,850.00
31	Treasury notes, Tax Series A-1945	1.92	86,047,125.00	2,291,975.00
31	Treasury notes, Tax Series C-1945	1.07	1,226,260,000.00	27,440,500.00
	Miscellaneous			500.00
	Total, December		15,121,328,084.98	3,506,124,354.66
1943				
Jan. 1	Postal savings bonds, Series 24	2½		9,200.00
6	Treasury bills, issued Oct. 7, 1942	.369		400,185,000.00
6	Treasury bills, maturing April 7, 1943	.357	600,133,000.00	
13	Treasury bills, issued Oct. 14, 1942	.373		400,442,000.00
13	Treasury bills, maturing April 14, 1943	.363	601,545,000.00	
20	Treasury bills, issued Oct. 21, 1942	.373		505,084,000.00
20	Treasury bills, maturing April 21, 1943	.366	701,542,000.00	
27	Treasury bills, issued Oct. 28, 1942	.373		504,553,000.00
27	Treasury bills, maturing April 28, 1943	.370	702,244,000.00	
29	Certificates of indebtedness, special series	¼	115,000,000.00	
30	Certificates of indebtedness, special series	¼		115,000,000.00
30	Certificates of indebtedness, special series	¼	202,000,000.00	
31	United States savings bonds, Series A-1935	2.90	404,184.00	233,898.00
31	United States savings bonds, Series B-1936	2.90	802,002.25	423,279.75
31	United States savings bonds, Series C-1937	2.90	1,431,927.25	738,142.75
31	United States savings bonds, Series C-1938	2.90	1,555,463.25	886,220.00
31	United States savings bonds, Series D-1939	2.90	2,645,372.00	1,652,953.75
31	United States savings bonds, Series D-1940	2.90	4,207,477.50	2,746,118.25
31	United States savings bonds, Series D-1941	2.90	2,226,329.75	863,825.75
31	United States savings bonds, Series E-1941	2.90	964,317.31	3,604,194.22
31	United States savings bonds, Series F-1941	2.53	141,284.27	640,161.38
31	United States savings bonds, Series G-1941	2.50	7,900.00	1,896,400.00
31	United States savings bonds, Series E-1942	2.90	861,138,479.75	46,065,714.29
31	United States savings bonds, Series F-1942	2.53	20,447,308.75	933,852.65
31	United States savings bonds, Series G-1942	2.50	67,651,200.00	2,279,200.00
31	United States savings bonds, Series E-1943	2.90	462,363,025.75	9,525.00
31	United States savings bonds, Series F-1943	2.53	56,814,390.00	
31	United States savings bonds, Series G-1943	2.50	280,790,800.00	
31	United States savings bonds, unclassified sales	2.90	[5] *504,299,540.70*	
31	Depositary bonds	2	7,265,000.00	5,000.00
31	Adjusted service bonds	3	47,700.00	460,750.00
31	Treasury notes, Tax Series A-1943	1.92		237,925.00
31	Treasury notes, Tax Series B-1943	.48		25,169,300.00
31	Treasury notes, Tax Series A-1944	1.92	1,000.00	244,400.00
31	Treasury notes, Tax Series B-1944	.48		43,360,700.00
31	Treasury notes, Tax Series A-1945	1.92	34,479,875.00	566,600.00
31	Treasury notes, Tax Series C-1945	1.07	44,549,200.00	18,545,500.00
31	Treasury notes, Tax Series C-1946	1.07	373,868,000.00	
	Total, January		4,641,966,696.13	2,076,836,860.79
Feb. 1	Certificates of indebtedness, special series	¼		202,000,000.00
1	Certificates of indebtedness, Series A-1943	⅛		1,588,495,000.00
1	Certificates of indebtedness, Series A-1944	⅞	2,211,161,000.00	
3	Treasury bills, issued Nov. 4, 1942	.373		500,121,000.00
3	Treasury bills, maturing May 5, 1943	.369	701,851,000.00	
10	Treasury bills, issued Nov. 12, 1942	.373		501,437,000.00
10	Treasury bills, maturing May 12, 1943	.372	707,832,000.00	
17	Treasury bills, issued Nov. 18, 1942	.371		501,537,000.00
17	Treasury bills, maturing May 19, 1943	.373	703,026,000.00	
24	Treasury bills, issued Nov. 25, 1942	.370		501,217,000.00
24	Treasury bills, maturing May 26, 1943	.374	700,809,000.00	
28	United States savings bonds, Series A-1935	2.90	224,533.50	262,030.50
28	United States savings bonds, Series B-1936	2.90	460,970.50	568,300.75
28	United States savings bonds, Series C-1937	2.90	764,940.50	783,894.75
28	United States savings bonds, Series C-1938	2.90	855,468.75	887,233.50
28	United States savings bonds, Series D-1939	2.90	1,390,972.50	1,419,059.75
28	United States savings bonds, Series D-1940	2.90	1,725,455.00	2,011,785.00
28	United States savings bonds, Series D-1941	2.90	2,070,641.25	979,917.50
28	United States savings bonds, Series E-1941	2.90	712,218.80	3,494,555.63
28	United States savings bonds, Series F-1941	2.53	82,972.17	496,908.60
28	United States savings bonds, Series G-1941	2.50	5,200.00	1,985,100.00
28	United States savings bonds, Series E-1942	2.90	63,771,894.37	59,191,648.74

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TABLE 28.—*Issues, maturities, and redemptions of interest-bearing securities, exclusive of trust account and other special issues, July 1942 through June 1943* [1]—Continued

Date	Issue	Rate of interest [2]	Amount issued [3]	Amount matured, or called or redeemed prior to maturity [4]
1943		*Percent*		
Feb. 28	United States savings bonds, Series F-1942	2.53	$527,699.35	$1,195,603.00
28	United States savings bonds, Series G-1942	2.50	560,700.00	2,972,500.00
28	United States savings bonds, Series E-1943	2.90	565,664,887.75	60,956.25
28	United States savings bonds, Series F-1943	2.53	47,896,573.00	5,329.50
28	United States savings bonds, Series G-1943	2.50	204,728,700.00	37,500.00
28	United States savings bonds, unclassified sales	2.90	6,258,637.46	
28	Depositary bonds	2	7,328,000.00	5,000.00
28	Adjusted service bonds	3	48,000.00	427,400.00
28	Treasury notes, Tax Series A-1943	1.92		421,750.00
28	Treasury notes, Tax Series B-1943	.48		8,650,900.00
28	Treasury notes, Tax Series A-1944	1.92		74,025.00
28	Treasury notes, Tax Series B-1944	.48		44,185,000.00
28	Treasury notes, Tax Series A-1945	1.92	12,976,325.00	1,954,250.00
28	Treasury notes, Tax Series C-1945	1.07	865,000.00	25,451,000.00
28	Treasury notes, Tax Series C-1946	1.07	442,794,000.00	
	Total, February		6,386,392,789.90	3,952,328,648.47
Mar. 2	Certificates of indebtedness, special series	¼	3,000,000.00	
3	Certificates of indebtedness, special series	¼		3,000,000.00
3	Treasury bills, issued Dec. 2, 1942	.368		503,232,000.00
3	Treasury bills, maturing June 2, 1943	.369	701,294,000.00	
4	Certificates of indebtedness, special series	¼	174,000,000.00	
5	Certificates of indebtedness, special series	¼		174,000,000.00
5	Certificates of indebtedness, special series	¼	354,000,000.00	
6	Certificates of indebtedness, special series	¼		354,000,000.00
6	Certificates of indebtedness, special series	¼	543,000,000.00	
8	Certificates of indebtedness, special series	¼		543,000,000.00
8	Certificates of indebtedness, special series	¼	591,000,000.00	
9	Certificates of indebtedness, special series	¼		591,000,000.00
9	Certificates of indebtedness, special series	¼	648,000,000.00	
10	Certificates of indebtedness, special series	¼		648,000,000.00
10	Treasury bills, issued Dec. 9, 1942	.367		504,822,000.00
10	Treasury bills, maturing June 9, 1943	.371	705,271,000.00	
10	Certificates of indebtedness, special series	¼	632,000,000.00	
11	Certificates of indebtedness, special series	¼		632,000,000.00
11	Certificates of indebtedness, special series	¼	790,000,000.00	
12	Certificates of indebtedness, special series	¼		790,000,000.00
12	Certificates of indebtedness, special series	¼	940,000,000.00	
13	Certificates of indebtedness, special series	¼		940,000,000.00
13	Certificates of indebtedness, special series	¼	1,043,000,000.00	
15	Treasury notes, Series D-1943	¾		65,963,700.00
15	Certificates of indebtedness, special series	¼		1,043,000,000.00
15	Certificates of indebtedness, special series	¼	1,302,000,000.00	
16	Certificates of indebtedness, special series	¼		1,302,000,000.00
16	Certificates of indebtedness, special series	¼	1,250,000,000.00	
17	Certificates of indebtedness, special series	¼		1,250,000,000.00
17	Certificates of indebtedness, special series	¼	981,000,000.00	
17	Treasury bills, issued Dec. 16, 1942	.364		600,813,000.00
17	Treasury bills, maturing June 16, 1943	.373	802,171,000.00	
18	Certificates of indebtedness, special series	¼		981,000,000.00
18	Certificates of indebtedness, special series	¼	836,000,000.00	
19	Certificates of indebtedness, special series	¼		836,000,000.00
19	Certificates of indebtedness, special series	¼	778,000,000.00	
20	Certificates of indebtedness, special series	¼		778,000,000.00
20	Certificates of indebtedness, special series	¼	768,000,000.00	
22	Certificates of indebtedness, special series	¼		768,000,000.00
22	Certificates of indebtedness, special series	¼	603,000,000.00	
23	Certificates of indebtedness, special series	¼		603,000,000.00
23	Certificates of indebtedness, special series	¼	700,000,000.00	
24	Treasury bills, issued Dec. 23, 1942	.363		601,096,000.00
24	Treasury bills, maturing June 23, 1943	.373	802,079,000.00	
24	Certificates of indebtedness, special series	¼		700,000,000.00
24	Certificates of indebtedness, special series	¼	512,000,000.00	
25	Certificates of indebtedness, special series	¼		512,000,000.00
25	Certificates of indebtedness, special series	¼	432,000,000.00	
26	Certificates of indebtedness, special series	¼		432,000,000.00
26	Certificates of indebtedness, special series	¼	384,000,000.00	
27	Certificates of indebtedness, special series	¼		384,000,000.00
27	Certificates of indebtedness, special series	¼	304,000,000.00	
29	Certificates of indebtedness, special series	¼		304,000,000.00
29	Certificates of indebtedness, special series	¼	104,000,000.00	
30	Certificates of indebtedness, special series	¼		104,000,000.00
30	Certificates of indebtedness, special series	¼	40,000,000.00	
31	Treasury bills, issued Dec. 30, 1942	.365		602,950,000.00

Footnotes at end of table.

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TABLE 28.—*Issues, maturities, and redemptions of interest-bearing securities, exclusive of trust account and other special issues, July 1942 through June 1943* [1]—Continued

Date	Issue	Rate of interest [2]	Amount issued [3]	Amount matured, or called or redeemed prior to maturity [4]
1943		*Percent*		
Mar. 31	Treasury bills, maturing June 30, 1943	0.374	$805,059,000.00	
31	Certificates of indebtedness, special series	¼		$40,000,000.00
31	United States savings bonds, Series A-1935	2.90	1,295,583.25	282,560.50
31	United States savings bonds, Series B-1936	2.90	498,186.75	579,833.25
31	United States savings bonds, Series C-1937	2.90	673,659.50	725,868.25
31	United States savings bonds, Series C-1938	2.90	814,177.75	792,771.00
31	United States savings bonds, Series D-1939	2.90	1,179,595.50	1,646,648.25
31	United States savings bonds, Series D-1940	2.90	2,129,684.75	2,401,309.75
31	United States savings bonds, Series D-1941	2.90	662,458.75	1,159,970.25
31	United States savings bonds, Series E-1941	2.90	699,341.28	4,542,517.32
31	United States savings bonds, Series F-1941	2.53	89,286.90	418,054.60
31	United States savings bonds, Series G-1941	2.50	12,600.00	1,611,200.00
31	United States savings bonds, Series E-1942	2.90	37,173,877.75	99,101,895.20
31	United States savings bonds, Series F-1942	2.53	230,188.75	1,378,368.20
31	United States savings bonds, Series G-1942	2.50	312,600.00	3,247,812.00
31	United States savings bonds, Series E-1943	2.90	704,320,291.75	12,976,462.50
31	United States savings bonds, Series F-1943	2.53	43,714,631.00	23,920.50
31	United States savings bonds, Series G-1943	2.50	179,685,400.00	320,800.00
31	United States savings bonds, unclassified sales	2.90	[5] *19,053,225.60*	
31	Depositary bonds	2	17,880,000.00	5,000.00
31	Adjusted service bonds	3	62,550.00	483,950.00
31	Treasury notes, Tax Series A-1943	1.92		4,500,300.00
31	Treasury notes, Tax Series B-1943	.48		259,429,375.00
31	Treasury notes, Tax Series A-1944	1.92		10,221,850.00
31	Treasury notes, Tax Series B-1944	.48		563,526,300.00
31	Treasury notes, Tax Series A-1945	1.92	15,300,800.00	35,140,675.00
31	Treasury notes, Tax Series C-1945	1.07	53,000.00	326,163,000.00
31	Treasury notes, Tax Series C-1946	1.07	431,402,000.00	26,889,000.00
	Total, March		19,947,010,688.08	18,948,446,141.57
Apr. 7	Treasury bills, issued Jan. 6, 1943	.357		600,133,000.00
7	Treasury bills, maturing July 7, 1943	.374	804,718,000.00	
14	Treasury bills, issued Jan. 13, 1943	.363		601,545,000.00
14	Treasury bills, maturing July 14, 1943	.373	803,964,000.00	
15	Treasury bonds of 1950-52 (dated Apr. 15, 1943)	2	4,939,261,000.00	
15	Treasury bonds of 1964-69	2½	3,761,904,000.00	
15	Certificates of indebtedness, Series B-1944	⅞	5,250,731,000.00	
21	Treasury bills, issued Jan. 20, 1943	.366		701,542,000.00
21	Treasury bills, maturing July 21, 1943	.371	904,650,000.00	
28	Treasury bills, issued Jan. 27, 1943	.370		702,244,000.00
28	Treasury bills, maturing July 28, 1943	.372	901,758,000.00	
30	United States savings bonds, Series A-1935	2.90	1,049,200.25	287,901.50
30	United States savings bonds, Series B-1936	2.90	501,760.50	512,506.50
30	United States savings bonds, Series C-1937	2.90	589,340.75	656,004.00
30	United States savings bonds, Series C-1938	2.90	827,295.50	951,616.75
30	United States savings bonds, Series D-1939	2.90	1,157,924.00	1,590,268.75
30	United States savings bonds, Series D-1940	2.90	1,440,583.50	2,194,888.25
30	United States savings bonds, Series D-1941	2.90	802,335.00	1,154,742.50
30	United States savings bonds, Series E-1941	2.90	776,353.55	4,126,891.43
30	United States savings bonds, Series F-1941	2.53	33,836.50	561,042.40
30	United States savings bonds, Series G-1941	2.50	5,800.00	1,644,800.00
30	United States savings bonds, Series E-1942	2.90	24,862,488.75	56,522,190.11
30	United States savings bonds, Series F-1942	2.53	118,622.00	1,281,757.20
30	United States savings bonds, Series G-1942	2.50	124,700.00	4,113,088.00
30	United States savings bonds, Series E-1943	2.90	981,796,782.50	27,024,254.81
30	United States savings bonds, Series F-1943	2.53	109,364,784.00	1,423.00
30	United States savings bonds, Series G-1943	2.50	353,290,500.00	182,800.00
30	United States savings bonds, unclassified sales	2.90	2,368,979.48	
30	Depositary bonds	2	21,115,000.00	10,000.00
30	Adjusted service bonds	3	47,950.00	351,650.00
30	Treasury notes, Tax Series A-1943	1.92		928,725.00
30	Treasury notes, Tax Series B-1943	.48		12,428,500.00
30	Treasury notes, Tax Series A-1944	1.92		2,208,475.00
30	Treasury notes, Tax Series B-1944	.48		80,987,400.00
30	Treasury notes, Tax Series A-1945	1.92	21,761,500.00	9,149,600.00
30	Treasury notes, Tax Series C-1945	1.07	63,000.00	75,558,000.00
30	Treasury notes, Tax Series C-1946	1.07	1,611,083,000.00	14,769,000.00
	Miscellaneous			1,000.00
	Total, April		20,500,167,736.28	2,904,662,525.20
May 1	Certificates of indebtedness, Series C-1943	.65		1,505,727,000.00
1	Certificates of indebtedness, Series C-1944	⅞	1,655,203,000.00	
5	Treasury bills, issued Feb. 3, 1943	.369		701,851,000.00

Footnotes at end of table.

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TABLE 28.—*Issues, maturities, and redemptions of interest-bearing securities, exclusive of trust account and other special issues, July 1942 through June 1943* [1]—Continued

Date	Issue	Rate of interest [2]	Amount issued [3]	Amount matured, or called or redeemed prior to maturity [4]
1943		*Percent*		
May 5	Treasury bills, maturing Aug. 4, 1943	0.373	$901,820,000.00	
12	Treasury bills, issued Feb. 10, 1943	.372		$707,832,000.00
12	Treasury bills, maturing Aug. 12, 1943	.372	906,997,000.00	
19	Treasury bills, issued Feb. 17, 1943	.373		703,026,000.00
19	Treasury bills, maturing Aug. 19, 1943	.373	907,785,000.00	
26	Treasury bills, issued Feb. 24, 1943	.374		700,809,000.00
26	Treasury bills, maturing Aug. 26, 1943	.373	905,415,000.00	
31	United States savings bonds, Series A-1935	2.90	852,640.00	274,960.00
31	United States savings bonds, Series B-1936	2.90	458,173.25	425,905.25
31	United States savings bonds, Series C-1937	2.90	528,217.00	726,866.50
31	United States savings bonds, Series C-1938	2.90	733,257.00	892,176.75
31	United States savings bonds, Series D-1939	2.90	1,358,784.00	1,431,230.75
31	United States asvings bonds, Series D-1940	2.90	1,238,054.75	1,889,333.00
31	United States savings bonds, Series D-1941	2.90		843,764.25
31	United States savings bonds, Series E-1941	2.90	1,506,373.32	3,652,566.87
31	United States savings bonds, Series F-1941	2.53	[6] *142,678.10*	543,038.28
31	United States savings bonds, Series G-1941	2.50	41,900.00	2,475,800.00
31	United States savings bonds, Series E-1942	2.90	11,755,391.87	44,943,755.38
31	United States savings bonds, Series F-1942	2.53	291,166.80	2,246,388.30
31	United States savings bonds, Series G-1942	2.50	53,900.00	5,415,900.00
31	United States savings bonds, Series E-1943	2.90	996,550,724.25	37,862,595.79
31	United States savings bonds, Series F-1943	2.53	85,724,986.00	28,934.00
31	United States savings bonds, Series G-1943	2.50	253,761,400.00	318,900.00
31	United States savings bonds, unclassified sales	2.90	[5] *10,362,833.37*	
31	Depositary bonds	2	18,480,250.00	
31	Adjusted service bonds	3	63,850.00	312,250.00
31	Treasury notes, Tax Series A-1943	1.92		128,025.00
31	Treasury notes, Tax Series B-1943	.48		6,582,900.00
31	Treasury notes, Tax Series A-1944	1.92		[6] *1,020,075.00*
31	Treasury notes, Tax Series B-1944	.48		38,774,400.00
31	Treasury notes, Tax Series A-1945	1.92	7,770,375.00	875,875.00
31	Treasury notes, Tax Series C-1945	1.07		43,780,000.00
31	Treasury notes, Tax Series C-1946	1.07	474,468,000.00	12,685,000.00
	Miscellaneous			50.00
	Total, May		7,122,351,931.77	4,525,335,540.12
June 2	Treasury bills, issued March 3, 1943	.369		701,294,000.00
2	Treasury bills, maturing September 2, 1943	.374	906,009,000.00	
9	Treasury bills, issued March 10, 1943	.371		705,271,000.00
9	Treasury bills, maturing September 9, 1943	.374	908,689,000.00	
15	Treasury bonds of 1943-47 (Called for redemption)	3⅜		454,135,200.00
15	Treasury notes, series A-1943	1⅛		629,112,400.00
15	Certificates of indebtedness, special series	¼	805,000,000.00	
16	Treasury bills, issued March 17, 1943	.373		802,171,000.00
16	Treasury bills, maturing September 16, 1943	.374	1,000,489,000.00	
23	Treasury bills, issued March 24, 1943	.373		802,079,000.00
23	Treasury bills, maturing September 23, 1943	.374	1,006,051,000.00	
30	Treasury bills, issued March 31, 1943	.374		805,059,000.00
30	Treasury bills, maturing September 30, 1943	.374	1,005,820,000.00	
30	Certificates of indebtedness, special series	¼		805,000,000.00
30	United States savings bonds, Series A-1935	2.90	802,799.25	305,876.00
30	United States savings bonds, Series B-1936	2.90	864,085.50	386,982.00
30	United States savings bonds, Series C-1937	2.90	768,338.25	578,011.75
30	United States savings bonds, Series C-1938	2.90	1,075,372.50	749,918.25
30	United States savings bonds, Series D-1939	2.90	2,150,522.75	1,496,949.00
30	United States savings bonds, Series D-1940	2.90	1,824,849.00	1,903,767.00
30	United States savings bonds, Series D-1941	2.90	8,006.25	903,192.25
30	United States savings bonds, Series E-1941	2.90	3,771,121.87	4,221,252.88
30	United States savings bonds, Series F-1941	2.53	402,367.77	999,273.98
30	United States savings bonds, Series G-1941	2.50	21,700.00	2,093,900.00
30	United States savings bonds, Series E-1942	2.90	7,232,454.62	54,564,322.20
30	United States savings bonds, Series F-1942	2.53	180,614.70	1,639,702.75
30	United States savings bonds, Series G-1942	2.50	2,200.00	4,465,800.00
30	United States savings bonds, Series E-1943	2.90	689,279,923.75	66,335,289.51
30	United States savings bonds, Series F-1943	2.53	34,993,377.50	162,468.00
30	United States savings bonds, Series G-1943	2.50	144,104,500.00	339,800.00
30	United States savings bonds, unclassified sales	2.90	2,447,523.31	
30	Depositary bonds	2	24,524,000.00	5,000.00
30	Adjusted service bonds	3	69,700.00	836,250.00
30	Treasury notes, Tax Series A-1943	1.92		3,576,850.00
30	Treasury notes, Tax Series B-1943	.48		110,159,875.00
30	Treasury notes, Tax Series A-1944	1.92		5,181,100.00

Footnotes at end of table.

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TABLE 28.—*Issues, maturities, and redemptions of interest-bearing securities, exclusive of trust account and other special issues, July 1942 through June 1943* [1]—Continued

Date	Issue	Rate of interest [2]	Amount issued [3]	Amount matured, or called or redeemed prior to maturity [4]
1942		*Percent*		
June 30	Treasury notes, Tax Series B-1944	0.48		$474,736,500.00
30	Treasury notes, Tax Series A-1945	1.92	$4,479,650.00	31,666,900.00
30	Treasury savings notes, Series C-1945	1.07	5,000.00	285,510,000.00
30	Treasury savings notes, Series C-1946	1.07	463,590,000.00	224,735,000.00
	Total, June		7,014,656,107.02	6,981,675,580.57
	Total for fiscal year 1943		113,087,042,352.89	52,660,787,155.89

[1] On basis of daily Treasury statements, supplemented by special statements on public debt issues, redemptions, and exchanges by the Bureau of the Public Debt.
[2] For Treasury bills, average rates on a bank discount basis are shown; for United States savings bonds, the approximate yield to maturity is shown.
[3] For United States savings bonds of Series A to F not currently on sale amounts represent accrued discount plus issue price of bonds in adjustment cases; for Series E and F currently on sale amounts represent issue price plus accrued discount; and for Series G amounts represent issue price at par.
[4] For United States savings bonds of Series A to F amounts represent current redemption value (issue price plus accrued discount); and for Series G amounts represent redemption value at par.
[5] Deduct. Represents excess of amounts transferred from unclassified sales to sales of a designated series over amounts received as unclassified sales.
[6] Deduct.

TABLE 29.—*Sources of public debt increase or decrease, fiscal years 1915 through 1943*

[In thousands of dollars. On basis of daily Treasury statements, see p. 459]

Year	Public debt retirements chargeable against general and special account receipts								
	Sinking fund	Foreign payments			Bonds and notes received for estate taxes	Bonds received for loans from Public Works Administration	Franchise tax receipts, Federal Reserve Banks	Payment from net earnings, Federal intermediate credit banks [1]	Commodity Credit Corporation capital repayments
		Cash repayments of principal	Bonds, etc., received as repayments of principal	Bonds, etc., received as interest payments					
1916									
1917									
1918							1,134		
1919		7,922			93				
1920		72,670			3,141		2,922		
1921	261,100	73,939			26,349		60,724		
1922	276,046	64,838			21,085		60,333		
1923	284,019	32,140		68,753	6,569		10,815		
1924	295,987	38,509	22,965	87,914	8,897		3,635		
1925	306,309	386	22,823	135,970	47		114	680	
1926	317,092	4,394	29,000	136,260			59	509	
1927	333,528	19,254	25,000	134,962			818	414	
1928	354,741	19,068	27,429	135,307	2		250	369	
1929	370,277	571	37,895	137,747	20		2,667	266	
1930	388,369	51,135	40,335	69,456	73		4,283	172	
1931	391,660	48,246					18	74	
1932	412,555				1			21	
1933	425,660	30,977	1,546	1,364			2,037		
1934	359,492		210	147					
1935	573,001				1				
1936	403,238								
1937	103,815			142					
1938	65,116		68	142					
1939	48,518	120				8,095		1,501	
1940	128,349					134		685	
1941	37,011					1,321		548	25,364
1942	75,342					668		315	18,393
1943	3,460								
Total	6,214,685	464,169	207,271	908,164	66,278	10,218	149,809	5,554	43,757

Footnotes at end of table.

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TABLE 29.—*Sources of public debt increase or decrease, fiscal years 1915 through 1943*—Continued

[In thousands of dollars]

Year	Public debt retirements chargeable against general and special account receipts—Contd.		Surplus or deficit (−) of receipts (general, special, and trust accounts, etc. combined) [2]	Increase or decrease (−) in General Fund balance	Increase or decrease (−) in gross debt	Total gross debt [3]	General Fund balance
	Miscellaneous gifts, forfeitures, etc.	Total					
1915						1,191,362	158,142
1916			48,478	82,262	33,783	1,225,146	240,404
1917			−853,357	897,116	1,750,473	2,975,619	1,137,520
1918		1,134	−9,033,254	447,487	9,479,607	12,455,225	1,585,007
1919		8,015	−13,370,637	−333,342	13,029,281	25,484,506	1,251,665
1920	13	78,746	212,475	−893,963	−1,185,185	24,299,321	357,702
1921	[4] 5,010	427,123	86,724	191,977	−321,871	23,977,451	549,678
1922	393	422,695	313,802	−277,573	−1,014,069	22,963,382	272,106
1923	555	402,850	309,657	98,834	−613,674	22,349,707	370,939
1924	93	458,000	505,367	−135,528	−1,098,894	21,250,813	235,411
1925	208	466,538	250,505	−17,576	−734,619	20,516,194	217,836
1926	63	487,376	377,768	−7,834	−872,978	19,643,216	210,002
1927	5,578	519,555	635,810	24,055	−1,131,309	18,511,907	234,057
1928	3,090	540,255	398,828	31,470	−907,614	17,604,293	265,527
1929	160	549,604	184,787	61,186	−673,205	16,931,088	326,713
1930	61	553,884	183,789	−8,106	−745,779	16,185,310	318,607
1931	85	440,082	−902,717	153,337	615,972	16,801,281	471,944
1932	53	412,630	−3,153,097	−54,747	2,685,721	19,487,002	417,197
1933	21	461,605	−3,068,267	445,008	3,051,670	22,538,672	862,205
1934	15	359,864	−3,154,616	1,719,717	4,514,469	27,053,141	2,581,922
1935	556	573,558	−2,961,886	−740,576	1,647,752	28,700,893	1,841,346
1936	1	403,240	−4,640,726	840,164	5,077,650	33,778,543	2,681,510
1937	14	103,971	−2,878,078	−128,037	2,646,070	36,424,613	2,553,473
1938	139	65,465	−1,143,147	−337,555	740,127	37,164,740	2,215,918
1939	12	58,246	−2,710,731	622,307	3,274,792	40,439,532	2,838,225
1940	16	129,184	−3,604,665	−947,482	2,527,999	42,967,531	1,890,743
1941	16	64,260	−5,315,742	742,431	5,993,913	48,961,444	2,633,174
1942	5	94,722	−23,197,751	357,973	23,461,002	72,422,445	2,991,147
1943	4	3,463	−57,761,690	6,515,419	64,273,645	136,696,090	9,506,566
Total[1]	16,161	8,086,065	−134,242,371	9,348,424	135,504,729		

NOTE.—Figures are rounded to nearest thousand and will not necessarily add to totals.

[1] Act of Mar. 4, 1923 (42 Stat. 1456, sec. 206 (b)), requiring division of net earnings, was amended by act of May 19, 1932 (47 Stat. 159, sec. 3). Act of Aug. 19, 1937 (50 Stat. 715, sec. 30), provides for franchise tax.

[2] For explanation of accounts, see p. 460.

[3] Does not include obligations issued by Government corporations and credit agencies and guaranteed by the United States.

[4] Includes $4,842,066.45 written off the debt Dec. 31, 1920, on account of fractional currency estimated to have been lost or destroyed in circulation.

RECONCILIATION OF INCREASE IN PUBLIC DEBT

[In thousands of dollars]

Increase in debt on account of—		
Deficit in receipts (all accounts)	$137,750,361	
Increase in General Fund balance	9,348,424	
Total		$147,098,785
Retirements from—		
Charges against general and special accounts	8,086,065	
Surplus of receipts	3,507,990	
Total		11,594,055
Net increase		135,504,729
Gross debt:		
June 30, 1915	1,191,362	
June 30, 1943	136,696,090	
Net increase		135,504,729

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TABLE 30.—*Transactions on account of the cumulative sinking fund, fiscal year 1943*

[On basis of public debt accounts, see p. 459]

Unexpended balance July 1, 1942			$3,177,792,123.31
Appropriation for 1943:			
Initial credit:			
(a) Under the Victory Liberty Loan Act (2½% of the aggregate amount of Liberty bonds and Victory notes outstanding on July 1, 1920, less an amount equal to the par amount of any obligation of foreign governments held by the United States on July 1, 1920)	$253,404,864.87		
(b) Under the Emergency Relief and Construction Act of 1932 (2½% of the aggregate amount of expenditures from appropriations made or authorized under this act)	7,860,606.83		
(c) Under the National Industrial Recovery Act (2½% of the aggregate amount of expenditures from appropriations made or authorized under this act)	80,387,913.71		
		$341,653,385.41	
Secondary credit (the interest which would have been payable during the fiscal year for which the appropriation is made on the bonds and notes purchased, redeemed, or paid out of the sinking fund during such year or in previous years)		246,161,682.50	
			587,815,067.91
Total available, 1943			3,765,607,191.22
Securities retired in 1943 (par amount and principal cost):			
3¼% Treasury bonds of 1941		691,700.00	
1¼% Treasury notes, Series C-1941		463,600.00	
1¾% Treasury notes, Series A-1942		2,287,300.00	
Total securities retired			3,442,600.00
Unexpended balance June 30, 1943			3,762,164,591.22

TABLE 31.—*Transactions on account of the cumulative sinking fund, fiscal years 1921 through 1943*

[On basis of public debt accounts, see p. 459]

Year	Appropriation available [1]	Debt retired (par amount)	Expended (principal cost)
1921	$256,230,010.66	$261,250,250.00	$254,844,576.50
1922	274,516,965.89	275,896,000.00	274,481,902.16
1923	284,156,439.19	284,018,800.00	284,149,754.16
1924	294,927,023.26	295,987,350.00	294,927,019.57
1925	306,666,759.52	306,308,400.00	306,666,736.01
1926	321,184,577.22	317,091,750.00	321,184,468.20
1927	336,890,916.27	333,528,400.00	336,890,832.47
1928	355,081,401.18	354,741,300.00	355,080,563.11
1929	370,241,327.02	370,277,100.00	370,241,297.84
1930	382,925,568.19	388,368,950.00	382,925,400.49
1931	392,152,206.17	391,660,000.00	392,152,187.50
1932	410,850,121.31	412,554,750.00	410,850,073.60
1933	425,575,012.75	425,660,300.00	425,569,628.44
1934	438,540,888.81	359,491,900.00	359,186,053.82
1935	573,183,651.62	573,000,000.00	573,000,000.00
1936	553,224,372.89	403,340,750.00	403,340,750.00
1937	722,650,458.86	103,733,650.00	103,733,650.00
1938	1,196,526,189.72	65,232,400.00	65,232,400.00
1939	1,712,184,276.95	48,514,500.00	48,514,500.00
1940	2,245,640,231.87	128,291,450.00	128,291,450.00
1941	2,703,177,570.83	36,959,600.00	36,959,600.00
1942	3,253,124,673.51	75,332,550.00	75,332,550.00
1943	3,765,607,191.22	3,442,600.00	3,442,600.00
Total	9,969,162,585.09	6,214,682,750.00	6,206,997,993.87

[1] Unexpended balance each year included in appropriation available for next year, but excluded from total. Unexpended balance $3,762,164,591.22 at end of 1943.

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TABLE 32.—*Securities retired through the cumulative sinking fund, par amount and principal cost, to June 30, 1943*

[On basis of public debt accounts, see p. 459]

Issue	Par amount	Principal cost
Liberty bonds:		
First 3½'s	$142,090,650	$142,090,650.00
First 4's	1,831,600	1,824,103.09
First 4¼'s	123,491,600	123,493,498.13
First-second 4¼'s	428,800	428,800.00
Second 4's	670,900	671,196.27
Second 4¼'s	374,735,400	374,988,667.88
Third 4¼'s	1,261,876,000	1,268,640,946.97
Fourth 4¼'s	1,043,670,550	1,043,484,085.28
Victory notes:		
3¾'s	106,186,900	104,542,256.28
4¾'s	610,584,150	604,769,347.07
Treasury bonds:		
4¼% of 1947–52	10,000	10,000.00
4% of 1944–54	69,100	69,100.00
3¾% of 1946–56	7,000	7,000.00
3⅜% of 1943–47	38,901,550	38,169,957.24
3⅜% of 1940–43	72,972,250	72,862,346.05
3⅜% of 1941–43	64,291,800	63,426,727.18
3⅛% of 1946–49	2,321,500	2,310,379.60
3% of 1951–55	8,678,300	8,517,873.61
3¼% of 1941	30,346,050	30,337,528.40
3¼% of 1943–45	609,750	602,614.64
3¼% of 1944–46	121,150	121,150.00
3% of 1946–48	10,000	10,000.00
3⅛% of 1949–52	2,000	2,000.00
2⅞% of 1955–60	55,050	55,050.00
2¾% of 1945–47	24,950	24,950.00
Treasury notes:		
5½% Series B–1924	103,000,000	103,028,635.62
4¾% Series A–1925	101,000,000	101,004,123.53
4⅜% Series B–1925	11,315,900	11,279,715.38
4½% Series C–1925	113,199,900	113,196,011.61
4¾% Series A–1926	1,018,300	1,018,300.00
4¼% Series B–1926	9,564,200	9,485,492.59
4½% Series A–1927	26,798,000	26,880,711.16
4¾% Series B–1927	60,217,900	60,217,900.00
3½% Series A–1930–32	691,284,850	687,390,338.29
3½% Series B–1930–32	41,989,300	41,682,698.99
3½% Series C–1930–32	359,556,100	358,811,853.00
3¼% Series 1932	418,764,000	418,764,000.00
3% Series A–1934	7,513,700	7,513,700.00
2½% Series D–1935	6,940,000	6,940,000.00
3¼% Series A–1936	18,573,600	18,581,100.00
2¾% Series B–1936	10,555,100	10,542,080.01
2⅞% Series C–1936	25,951,900	25,913,939.07
1½% Series D–1936	1,875,900	1,875,900.00
1⅛% Series E–1936	7,862,800	7,862,800.00
3¼% Series A–1937	57,215,300	57,209,592.52
3% Series B–1937	22,473,500	22,438,520.95
3% Series C–1937	21,562,900	21,562,900.00
2⅝% Series A–1938	15,560,000	15,541,747.20
2⅞% Series B–1938	12,500,000	12,393,106.26
3% Series C–1938	3,484,100	3,484,100.00
2½% Series D–1938	17,001,750	17,001,750.00
1¼% Series E–1938	8,919,000	8,919,000.00
2⅛% Series A–1939	11,240,000	11,240,000.00
1⅜% Series B–1939	10,366,200	10,366,200.00
1½% Series C–1939	11,353,750	11,353,750.00
1⅜% Series D–1939	10,744,400	10,744,400.00
1⅝% Series A–1940	61,543,600	61,543,600.00
1½% Series B–1940	15,669,600	15,669,600.00
1⅜% Series B–1941	1,466,500	1,466,500.00
1¼% Series C–1941	14,307,000	14,307,000.00
1¾% Series A–1942	18,306,700	18,306,700.00
Total	6,214,682,750	6,206,997,993.87

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TABLE 33.—*Comparison of sales of securities during the First and Second War Loans, by classes of investors and by issues* [1]

[In millions of dollars. On basis of reports of sales]

Class of investor	Total		Savings bonds				Tax notes		
			Series E		Series F and G		Series A [2]	Series C	
	First War Loan	Second War Loan	First War Loan	Second War Loan	First War Loan	Second War Loan	First War Loan	First War Loan	Second War Loan
Nonbanking investors:									
Individuals, partnerships, and personal trust accounts	1,593	3,290	726	1,473	216	425	66	122	132
Insurance companies	1,699	2,408							
Mutual savings banks	620	1,195							
Eleemosynary institutions	57	117							
State and local governments [3]	200	503							
Other corporations and associations	2,654	5,029			72	242	21	1,126	1,520
Subtotal	6,822	12,541	726	1,473	288	667	87	1,248	1,652
Dealers and brokers [4]	769	544							
U. S. Government agencies and trust funds	270	391							
Total sales to nonbanking investors	7,860	13,476	726	1,473	288	667	87	1,248	1,652
Commercial banks	5,087	5,079							
Total sales to all investors	12,947	18,555	726	1,473	288	667	87	1,248	1,652

Footnotes at end of table.

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TABLE 33.—*Comparison of sales of securities during the First and Second War Loans, by classes of investors and by issues*[1]—Continued

Class of investor	2½ percent Treasury bonds		1¾ percent Treasury bonds	2 percent Treasury bonds	⅞ percent certificates of indebtedness		Treasury bills[5]	
	First War Loan	Second War Loan	First War Loan	Second War Loan	First War Loan	Second War Loan	First War Loan	Second War Loan
Nonbanking investors:								
Individuals, partnerships, and personal trust accounts	257	540	85	472	121	246	----------	----------
Insurance companies	1,382	1,582	240	703	76	123	----------	----------
Mutual savings banks	483	550	86	539	51	105	----------	----------
Eleemosynary institutions	35	35	12	41	11	41	----------	----------
State and local governments[3]	88	181	30	82	82	241	----------	----------
Other corporations and associations	319	505	229	781	886	1,982	----------	----------
Subtotal	2,563	3,393	681	2,618	1,227	2,736	----------	----------
Dealers and brokers[4]	----------	----------	318	189	450	355	----------	----------
U. S. Government agencies and trust funds	267	369	2	10	2	13	----------	----------
Total sales to nonbanking investors	2,831	3,762	1,001	2,817	1,679	3,104	----------	----------
Commercial banks	----------	----------	2,061	2,122	1,121	2,147	906	810
Total sales to all investors	2,831	3,762	3,062	4,939	3,800	5,251	906	810

NOTE.—Figures are rounded to nearest million and will not necessarily add to totals.

[1] The First War Loan took place in Dec. 1942. The Second War Loan formally opened Apr. 12, 1943, and closed May 1, 1943.
[2] Not included in Second War Loan. Total sales in Apr. 1943 were $22 millions.
[3] Includes State and local government agencies, and their trust, sinking, and investment funds.
[4] For First War Loan, figures exclude sales of 2½ percent Treasury bonds to dealers and brokers; these have been included in sales to other corporations and associations. For Second War Loan, figures exclude amounts distributed or earmarked by brokers and dealers for distribution to nonbanking investors; these amounts have been redistributed to the appropriate nonbanking investor classes.
[5] Represents net increase in amount outstanding during months of Dec. 1942 and Apr. 1943, respectively, and has been arbitrarily assigned to commercial banks for statistical purposes.

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United States savings bonds

TABLE 34.—*Analysis of sales and redemptions of United States savings bonds, by series and by fiscal years 1935 through 1943 and months for the fiscal year 1943*

[On basis of daily Treasury statements, see p. 459]

Period	Sales, including accrued discount					Redemptions at current redemption value				
	Total	Series A–D [1]	Series E [2]	Series F	Series G [3]	Total	Series A–D	Series E	Series F	Series G
By fiscal years:										
1935 (Mar. 1 through June 30)	$62,567,044	$62,567,044				$519,225	$519,225			
1936	265,239,521	265,239,521				11,162,525	11,162,525			
1937	519,731,009	519,731,009				36,206,922	36,206,922			
1938	504,653,948	504,653,948				66,629,995	66,629,995			
1939	712,476,470	712,476,470				82,000,208	82,000,208			
1940	1,150,810,389	1,150,810,389				114,260,162	114,260,162			
1941	1,557,379,747	893,034,311	$203,098,145	$66,693,092	$394,554,200	148,126,038	147,512,469	$22,481	$48,988	$542,100
1942	6,081,623,309	86,640,477	3,527,751,771	435,147,360	2,032,083,700	207,387,899	132,705,454	60,009,837	2,860,308	11,812,300
1943	11,916,301,878	92,060,898	8,304,400,292	760,384,688	2,759,456,000	848,323,796	88,213,494	688,574,321	17,027,781	54,508,200
Total Mar. 1, 1935, through June 30, 1943	22,770,783,314	4,287,214,065	12,035,250,208	1,262,225,140	5,186,093,900	1,514,616,770	679,210,454	748,606,639	19,937,077	66,862,600
By months:										
1942—July	915,112,618	13,198,391	509,098,100	73,763,527	319,052,600	25,460,813	7,640,807	14,806,110	490,897	2,523,000
August	705,498,770	7,477,987	454,684,441	52,316,841	191,019,500	32,175,936	9,028,693	19,012,198	764,745	3,370,300
September	761,936,950	6,500,863	510,554,813	60,854,873	184,026,400	34,288,566	8,355,987	22,530,157	645,722	2,756,700
October	942,155,458	5,778,550	665,632,111	61,157,798	209,587,000	40,124,650	7,934,678	28,102,213	904,858	3,182,900
November	741,207,848	4,725,880	543,106,913	45,164,156	148,210,900	43,161,129	6,318,038	32,042,776	742,714	4,057,600
December	1,025,567,010	7,328,604	729,624,425	66,216,081	222,397,900	54,652,105	6,732,809	43,780,278	922,618	3,216,400
1943—January	1,259,291,921	13,272,756	820,166,282	77,402,983	348,449,900	62,973,486	7,544,438	49,679,434	1,574,014	4,175,600
February	897,702,465	7,492,982	636,407,638	48,507,245	205,294,600	76,352,323	6,912,222	62,747,161	1,697,841	4,995,100
March	954,438,338	7,253,346	723,140,285	44,034,107	180,010,600	131,209,992	7,588,961	116,620,875	1,820,343	5,179,812
April	1,479,111,286	6,368,440	1,009,804,604	109,517,242	353,421,000	102,806,175	7,347,928	87,673,336	1,844,223	5,940,688
May	1,344,349,457	5,169,126	999,449,656	85,873,475	253,857,200	103,972,115	6,484,237	86,458,918	2,818,361	8,210,600
June	889,929,757	7,493,974	702,731,024	35,576,360	144,128,400	141,146,506	6,324,696	125,120,865	2,801,445	6,899,500

NOTE.—Figures are rounded to nearest dollar and will not necessarily add to totals.

[1] Not issued after Apr. 30, 1941. Figures after that date represent accrued discount on these issues and adjustments.
[2] Includes unclassified sales.
[3] Series G is stated at par.

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TABLE 35.—*Summary of sales and redemptions of United States savings bonds, by series and by fiscal years and months, May [4] 1935 through June 1943*

[In millions of dollars. On basis of daily Treasury statements and reports of sales]

Period	Amount outstanding end of fiscal year or month [1]	Net change during fiscal year or month	Analysis of net change						
			Sales			Accrual of redemption values	Redemptions		
			Total funds received	Adjustment of sales reported to funds received [2]	Sales reported [2]		Total	Original purchase price [3]	Interest accrued [3]
	All series								
By fiscal years:									
1935	62.0	+62.0	62.6				0.5	0.5	
1936	316.1	+254.1	264.0			1.2	11.2	11.1	(*)
1937	799.6	+483.5	512.6			7.2	36.2	35.9	0.3
1938	1,237.7	+438.0	487.5			17.1	66.6	65.6	1.1
1939	1,868.1	+630.5	684.5			28.0	82.0	80.0	2.0
1940	2,904.7	+1,036.6	1,108.7			42.1	114.3	110.8	3.5
1941	4,314.0	+1,409.3	1,492.4	−65.1	1,557.5	65.0	148.1	142.8	5.3
1942	10,188.2	+5,874.2	5,994.1	−12.8	6,006.9	87.5	207.4	200.9	6.5
1943	21,256.2	+11,068.0	11,788.7	+111.1	11,677.6	127.6	848.3	841.3	7.0
By months:									
1935—May [4]	38.6	+38.6	38.8				.2	.2	
June	62.0	+23.4	23.8				.4	.4	
July	79.5	+17.4	17.8				.4	.4	
August	95.0	+15.5	16.0				.4	.4	
September	115.1	+20.1	20.7				.7	.7	
October	126.8	+11.7	12.4				.7	.7	
November	135.5	+8.7	9.4				.7	.7	
December	153.5	+18.0	18.6				.6	.6	
1936—January	170.9	+17.4	18.3				.8	.8	
February	196.2	+25.3	26.1				.8	.8	
March	240.3	+44.1	44.9			.5	1.2	1.2	(*)
April	264.6	+24.3	25.6			.3	1.6	1.6	(*)
May	289.4	+24.7	26.1			.2	1.6	1.6	(*)
June	316.1	+26.8	28.2			.2	1.6	1.6	(*)
July	339.5	+23.4	24.9			.3	1.8	1.8	(*)
August	365.5	+26.0	27.7			.2	1.8	1.8	(*)

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September	399.5	+33.9	35.4			.6	2.1	2.1	(1)
October	424.1	+24.6	26.7			.5	2.6	2.6	(1)
November	447.5	+23.4	25.2			.5	2.3	2.3	(1)
December	474.7	+27.2	29.3			.5	2.6	2.6	(1)
1937—January	509.1	+34.4	36.4			.8	2.8	2.8	(1)
February	566.8	+57.6	59.7			.4	2.5	2.5	(1)
March	721.7	+155.0	158.0			.9	4.0	3.9	(1)
April	752.1	+30.3	33.9			.9	4.4	4.4	(1)
May	774.9	+22.8	27.0			.7	4.9	4.8	(1)
June	799.6	+24.7	28.3			.8	4.4	4.4	(1)
July	833.3	+33.6	36.9			1.3	4.5	4.4	.1
August	861.8	+28.5	31.8			.7	4.0	4.0	(1)
September	885.1	+23.3	26.9			1.2	4.8	4.8	.1
October	907.9	+22.8	27.7			1.2	6.1	6.0	.1
November	931.6	+23.7	27.9			1.0	5.2	5.1	.1
December	963.7	+32.1	35.7			1.6	5.1	5.0	.1
1938—January	1,060.4	+96.7	99.8			2.5	5.5	5.5	.1
February	1,106.0	+45.6	49.2			1.3	4.9	4.8	.1
March	1,147.8	+41.8	46.6			1.7	6.5	6.4	.1
April	1,180.7	+33.0	38.6			1.5	7.2	7.1	.1
May	1,209.9	+29.1	34.1			1.3	6.2	6.1	.1
June	1,237.7	+27.8	32.5			1.9	6.6	6.5	.1
July	1,274.5	+36.9	40.9			2.9	6.9	6.7	.1
August	1,305.3	+30.8	35.6			1.6	6.4	6.3	.1
September	1,333.5	+28.2	32.9			2.0	6.6	6.5	.1
October	1,367.2	+33.7	38.4			1.8	6.5	6.4	.2
November	1,398.7	+31.5	35.5			1.6	5.6	5.4	.1
December	1,441.5	+42.8	46.6			2.4	6.2	6.0	.1
1939—January	1,580.5	+138.9	141.8			4.1	6.9	6.7	.2
February	1,643.0	+62.5	66.2			2.1	5.9	5.7	.2
March	1,701.4	+58.4	63.8			2.5	7.8	7.6	.2
April	1,751.3	+49.9	55.7			2.2	8.0	7.8	.2
May	1,805.5	+54.3	60.1			2.0	7.9	7.6	.2
June	1,868.1	+62.6	67.2			2.8	7.3	7.1	.2
July	1,949.4	+81.3	84.7			4.5	7.9	7.6	.2
August	2,014.7	+65.3	70.6			2.5	7.9	7.6	.2
September	2,051.2	+36.5	44.4			2.8	10.7	10.5	.3
October	2,092.3	+41.1	47.2			2.7	8.7	8.5	.3
November	2,140.4	+48.0	53.9			2.4	8.3	8.0	.2
December	2,208.9	+68.5	72.5			3.5	7.5	7.3	.2
1940—January	2,473.1	+264.2	266.8			6.2	8.8	8.5	.3
February	2,610.1	+137.0	141.5			3.2	7.6	7.4	.2
March	2,706.6	+96.4	102.4			3.6	9.6	9.3	.3
April	2,817.9	+111.4	118.2			3.3	10.1	9.8	.3
May	2,868.9	+51.0	61.2			3.1	13.3	12.9	.4
June	2,904.7	+35.8	45.3			4.3	13.8	13.4	.4

Footnotes at end of table.

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TABLE 35.—*Summary of sales and redemptions of United States savings bonds, by series and by fiscal years and months, May [4] 1935 through June 1943*—Continued

[In millions of dollars]

Period	Amount outstanding end of fiscal year or month [1]	Net change during fiscal year or month	Analysis of net change						
			Sales			Accrual of redemption values	Redemptions		
			Total funds received	Adjustment of sales reported to funds received [2]	Sales reported [2]		Total	Original purchase price [3]	Interest accrued [3]
	All series—Continued								
By months—Continued.									
1940—July	2,965.9	+61.2	65.8			7.2	11.8	11.4	0.4
August	3,008.1	+42.2	49.4			3.9	11.2	10.8	.4
September	3,043.6	+35.5	43.1			4.0	11.6	11.2	.4
October	3,084.0	+40.4	48.4			3.8	11.8	11.4	.4
November	3,123.0	+39.0	46.3			3.8	11.1	10.7	.4
December	3,194.8	+71.8	76.5			5.7	10.5	10.1	.4
1941—January	3,371.1	+176.3	178.6			10.7	12.9	12.4	.5
February	3,480.0	+108.9	115.6			5.1	11.8	11.3	.5
March	3,598.5	+118.5	126.3			5.6	13.5	13.0	.5
April	3,647.2	+48.7	57.3			4.6	13.3	12.8	.5
May	4,008.1	+360.8	370.4	−113.7	484.1	4.4	14.0	13.5	.5
June	4,314.0	+305.9	314.5	+48.5	266.0	6.2	14.8	14.3	.5
July	4,649.4	+335.5	342.2	+8.1	334.1	11.3	18.0	17.4	.7
August	4,907.8	+258.3	265.7	+10.6	255.1	5.6	12.9	12.4	.5
September	5,131.8	+224.0	232.4	−11.4	243.8	6.0	14.4	13.8	.6
October	5,394.0	+262.2	270.7	+.8	269.9	5.1	13.7	13.2	.5
November	5,619.7	+225.7	233.6	−.6	234.2	4.9	12.8	12.3	.5
December	6,139.7	+520.0	528.9	−125.5	654.3	7.4	16.3	15.7	.6
1942—January	7,198.3	+1,058.6	1,060.7	−68.6	1,129.2	13.4	15.4	14.8	.6
February	7,893.4	+695.1	703.3	+117.6	585.7	7.6	15.8	15.3	.5
March	8,435.9	+542.5	557.9	+37.7	520.3	6.6	22.0	21.4	.6
April	8,951.0	+515.1	530.5	−3.2	533.8	5.9	21.3	20.7	.5
May	9,569.0	+618.0	634.4	+16.0	618.4	5.8	22.1	21.6	.5
June	10,188.2	+619.2	633.9	+5.8	628.2	8.0	22.8	22.3	.5
July	11,077.8	+889.7	900.9	−3.3	904.2	14.3	25.5	25.0	.5
August	11,751.2	+673.3	697.3	+27.3	669.9	8.2	32.2	31.6	.6
September	12,478.8	+727.6	754.7	−72.7	827.4	7.2	34.3	33.7	.6
October	13,380.8	+902.0	935.0	+130.7	804.3	7.2	40.1	39.6	.5
November	14,078.9	+698.0	734.6	+8.5	726.1	6.7	43.2	42.7	.5
December	15,049.8	+970.9	1,014.2	−23.9	1,038.1	11.4	54.7	54.1	.5
1943—January	16,246.1	+1,196.3	1,240.4	+7.2	1,233.2	18.8	63.0	62.4	.6
February	17,067.5	+821.4	887.2	+.7	886.5	10.5	76.4	75.8	.6
March	17,890.7	+823.2	944.3	+6.7	937.5	10.2	131.2	130.5	.7

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April	19,267.0	+1,376.3	1,469.7	−75.5	1,545.2	9.4	102.8	102.1	.7
May	20,507.4	+1,240.4	1,335.0	+75.5	1,259.5	9.4	104.0	103.3	.6
June	21,256.2	+748.8	875.5	+29.9	845.6	14.4	141.1	140.5	.7
Series A–D									
By fiscal years:									
1935	62.0	+62.0	62.6				0.5	0.5	
1936	316.1	+254.1	264.0			1.2	11.2	11.1	(*)
1937	799.6	+483.5	512.6			7.2	36.2	35.9	0.3
1938	1,237.7	+438.0	487.5			17.1	66.6	65.6	1.1
1939	1,868.1	+630.5	684.5			28.0	82.0	80.0	2.0
1940	2,904.7	+1,036.6	1,108.7			42.1	114.3	110.8	3.5
1941	3,650.2	+745.5	828.0			65.0	147.5	142.2	5.3
1942	3,604.2	−46.1	.8			85.9	132.7	126.2	6.5
1943	3,608.0	+3.8	.1			92.0	88.2	81.8	6.4
(Series A to D were only series outstanding from May 1 1935 to April 1941; therefore data for this period are same as those for "All series".)									
By months:									
1941—May	3,658.2	+11.0	20.6			4.4	14.0	13.5	0.5
June	3,650.2	−8.0	(*)			6.2	14.2	13.7	.5
July	3,644.2	−6.0	.1			11.3	17.4	16.7	.7
August	3,638.1	−6.2	.1			5.6	11.9	11.4	.5
September	3,631.5	−6.6	(*)			6.0	12.6	12.0	.6
October	3,625.3	−6.2	(*)			5.1	11.3	10.8	.5
November	3,620.7	−4.7	.1			4.9	9.6	9.2	.5
December	3,616.1	−4.6	.3			7.4	12.3	11.7	.6
1942—January	3,618.5	+2.4	.1			13.4	11.1	10.5	.6
February	3,616.5	−2.0	.1			7.6	9.6	9.1	.5
March	3,612.4	−4.1	(*)			6.6	10.7	10.1	.6
April	3,608.9	−3.5	(*)			5.9	9.4	8.9	.5
May	3,604.8	−4.1	(*)			4.8	8.9	8.4	.5
June	3,604.2	−.7	(*)			7.3	7.9	7.4	.5
July	3,609.7	+5.6	(*)			13.2	7.6	7.2	.5
August	3,608.2	−1.6	(*)			7.5	9.0	8.4	.6
September	3,606.3	−1.9	(*)			6.5	8.4	7.8	.6
October	3,604.2	−2.2	(*)			5.8	7.9	7.4	.5
November	3,602.6	−1.6	(*)			4.7	6.3	5.9	.4
December	3,603.2	+.6	(*)			7.3	6.7	6.3	.5
1943—January	3,608.9	+5.7	(*)			13.3	7.5	7.0	.6
February	3,609.5	+.6				7.5	6.9	6.4	.5
March	3,609.1	−.3	(*)			7.3	7.6	7.0	.6
April	3,608.1	−1.0	(*)			6.3	7.3	6.8	.6
May	3,606.8	−1.3	(*)			5.2	6.5	5.9	.5
June	3,608.0	+1.2	(*)			7.5	6.3	5.8	.5

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TABLE 35.—*Summary of sales and redemptions of United States savings bonds, by series and by fiscal years and months, May 1 1935 through June 1943*—Continued

[In millions of dollars]

Period	Amount outstanding end of fiscal year or month [1]	Net change during fiscal year or month	Analysis of net change						
			Sales			Accrual of redemption values	Redemptions		
			Total funds received	Adjustment of sales reported to funds received [2]	Sales reported [2]		Total	Original purchase price [3]	Interest accrued [3]
	Series E								
By fiscal years:									
1941	203.1	+203.1	203.1	(*)	203.1		(*)	(*)	
1942	3,670.8	+3,467.7	3,526.3	−15.0	3,541.3	1.5	60.0	60.0	(*)
1943	11,286.6	+7,615.8	8,271.3	+90.7	8,180.5	33.1	688.6	688.0	0.6
By months:									
1941—May	100.6	+100.6	100.6	(*)	100.6		(*)	(*)	
June	203.1	+102.5	102.5	(*)	102.5		(*)	(*)	
July	347.9	+144.8	145.3	+1.2	144.1		.5	.5	
August	464.5	+116.6	117.6	−1.2	118.8		1.0	1.0	
September	568.0	+103.6	105.2	−7.5	112.8		1.7	1.7	
October	688.6	+120.6	122.9	+.9	122.0		2.3	2.3	
November	795.6	+106.9	109.5	−1.9	111.4		2.5	2.5	
December	1,133.6	+338.0	341.1	−61.5	402.6		3.1	3.1	
1942—January	1,798.1	+664.5	667.4	(*)	667.4		2.9	2.9	
February	2,191.5	+393.4	398.0	+31.9	366.1		4.5	4.5	
March	2,519.9	+328.4	337.6	+10.1	327.5		9.2	9.2	
April	2,836.6	+316.7	326.7	−6.6	333.2		9.9	9.9	
May	3,248.9	+412.3	421.8	+5.4	416.5	.8	10.4	10.4	(*)
June	3,670.8	+421.9	433.2	+14.2	419.1	.7	12.0	11.9	(*)
July	4,165.1	+494.3	508.1	+7.7	500.5	1.0	14.8	14.8	(*)
August	4,600.8	+435.7	454.0	+13.5	440.5	.7	19.0	19.0	(*)
September	5,088.8	+488.0	509.9	−35.3	545.1	.7	22.5	22.5	(*)
October	5,726.3	+637.5	664.8	+79.2	585.6	.8	28.1	28.1	(*)
November	6,237.4	+511.1	541.6	−1.1	542.6	1.5	32.0	32.0	(*)
December	6,923.2	+685.8	725.8	−19.8	745.6	3.8	43.8	43.8	(*)
1943—January	7,693.7	+770.5	814.9	+3.2	811.7	5.2	49.7	49.6	(*)
February	8,267.4	+573.7	633.6	+4.4	629.2	2.8	62.7	62.7	(*)
March	8,873.9	+606.5	720.4	+7.7	712.7	2.7	116.6	116.5	.1
April	9,796.0	+922.1	1,006.8	−23.8	1,030.6	3.0	87.7	87.6	.1
May	10,709.0	+913.0	995.2	+27.5	967.8	4.2	86.5	86.4	.1
June	11,286.6	+577.6	696.2	+27.4	668.8	6.5	125.1	125.0	.1

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Series F									
By fiscal years:									
1941	66.6	+66.6	66.7	−8.3	75.0		(*)	(*)	
1942	498.9	+432.3	434.9	−2.0	437.0	0.2	2.9	2.9	(*)
1943	1,242.3	+743.4	757.9	+11.0	746.9	2.5	17.0	17.0	(*)
By months:									
1941—May	37.8	+37.8	37.8	−14.8	52.6				
June	66.6	+28.8	28.9	+6.5	22.4		(*)	(*)	
July	93.9	+27.3	27.4	+.3	27.1		.1	.1	
August	114.3	+20.3	20.3	+2.1	18.2				
September	132.3	+18.1	18.1	−1.4	19.5		(*)	(*)	
October	155.3	+23.0	23.0	+.7	22.2				
November	174.2	+18.9	19.0	+.7	18.2		.1	.1	
December	207.3	+33.1	33.3	−16.8	50.0		.2	.2	
1942—January	284.6	+77.3	77.6	−6.0	83.5		.3	.3	
February	336.0	+51.4	51.8	+12.0	39.8		.4	.4	
March	376.7	+40.7	41.1	+4.4	36.6		.4	.4	
April	416.3	+39.6	40.0	+1.8	38.2		.4	.4	
May	458.4	+42.1	42.5	+.8	41.7	.1	.5	.5	(*)
June	498.9	+40.5	41.0	−.8	41.9	.1	.6	.6	(*)
July	572.2	+73.3	73.7	−1.6	75.3	.1	.5	.5	(*)
August	623.8	+51.6	52.3	+3.9	48.4	(*)	.8	.8	(*)
September	684.0	+60.2	60.8	−8.4	69.2	.1	.6	.6	(*)
October	744.2	+60.3	60.6	+11.1	49.5	.6	.9	.9	(*)
November	788.6	+44.4	44.8	+2.9	41.9	.4	.7	.7	(*)
December	853.9	+65.3	66.0	+.9	65.1	.2	.9	.9	(*)
1943—January	929.8	+75.8	77.1	+1.5	75.6	.3	1.6	1.6	(*)
February	976.6	+46.8	48.3	−2.6	50.9	.2	1.7	1.7	(*)
March	1,018.8	+42.2	43.9	+.2	43.7	.2	1.8	1.8	(*)
April	1,126.5	+107.7	109.5	−11.3	120.8		1.8	1.8	(*)
May	1,209.5	+83.1	85.9	+14.0	71.9	(*)	2.8	2.8	(*)
June	1,242.3	+32.8	35.1	+.5	34.6	.4	2.8	2.8	(*)
Series G									
By fiscal years:									
1941	394.0	+394.0	394.6	−56.8	451.4		0.5	0.5	
1942	2,414.3	+2,020.3	2,032.1	+4.3	2,027.8		11.8	11.8	
1943	5,119.2	+2,704.9	2,759.5	+9.4	2,750.1		54.5	54.5	
By months:									
1941—May	211.4	+211.4	211.4	−98.9	310.3				
June	394.0	+182.6	183.1	+42.1	141.1		.1	.1	

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TABLE 35.—*Summary of sales and redemptions of United States savings bonds, by series and by fiscal years and months, May [4] 1935 through June 1943*—Continued

[In millions of dollars]

Period	Amount outstanding end of fiscal year or month [1]	Net change during fiscal year or month	Analysis of net change						
			Sales			Accrual of redemption values	Redemptions		
			Total funds received	Adjustment of sales reported to funds received [2]	Sales reported [2]		Total	Original purchase price [3]	Interest accrued [3]
	Series G—Continued								
By months—Continued.									
1941—July	563.4	+169.4	169.5	+6.6	162.9		.1	.1	
August	691.0	+127.6	127.7	+9.7	118.0		.1	.1	
September	800.0	+108.9	109.0	−2.5	111.5		.1	.1	
October	924.7	+124.8	124.9	−.8	125.7		.1	.1	
November	1,029.3	+104.6	105.0	+.6	104.5		.5	.5	
December	1,182.8	+153.5	154.2	−47.2	201.4		.7	.7	
1942—January	1,497.2	+314.4	315.6	−62.6	378.2		1.2	1.2	
February	1,749.3	+252.2	253.4	+73.6	179.8		1.2	1.2	
March	1,926.9	+177.6	179.2	+23.1	156.1		1.7	1.7	
April	2,089.2	+162.2	163.8	+1.5	162.4		1.6	1.6	
May	2,256.9	+167.8	170.1	+9.8	160.3		2.3	2.3	
June	2,414.3	+157.4	159.7	−7.5	167.2		2.3	2.3	
July	2,730.8	+316.5	319.1	−9.4	328.4		2.5	2.5	
August	2,918.5	+187.6	191.0	+10.0	181.1		3.4	3.4	
September	3,099.7	+181.3	184.0	−29.0	213.0		2.8	2.8	
October	3,306.1	+206.4	209.6	+40.4	169.2		3.2	3.2	
November	3,450.3	+144.2	148.2	+6.6	141.6		4.1	4.1	
December	3,669.5	+219.2	222.4	−5.0	227.4		3.2	3.2	
1943—January	4,013.7	+344.3	348.4	+2.5	345.9		4.2	4.2	
February	4,214.0	+200.3	205.3	−1.1	206.4		5.0	5.0	
March	4,388.9	+174.8	180.0	−1.2	181.2		5.2	5.2	
April	4,736.4	+347.5	353.4	−40.3	393.8		5.9	5.9	
May	4,982.0	+245.6	253.9	+34.0	219.8		8.2	8.2	
June	5,119.2	+137.2	144.1	+1.9	142.2		6.9	6.9	

NOTE.—Figures are rounded to nearest tenth of a million and will not necessarily add to totals.

*Less than $50,000.

[1] At current redemption values except Series G, which is stated at par. Unclassified sales shown in the daily Treasury statement have been classified by series.

[2] Series A to D data are not available on a sales reported basis. For comparative purposes, fiscal year totals for all series include funds received from sales of Series A to D bonds.

[3] Estimated, except for Series G.

[4] Savings bonds in the amount of $57 millions were issued in March and April 1935 by post offices and the funds were deposited in the Treasury to the credit of the Postmaster General. After audit of the bond stubs, the audited amounts were credited to public debt receipts and appeared on the daily Treasury statement for the first time in May 1935.

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TABLE 36.—*Sales of United States savings bonds of Series E, Series F, and Series G, by denominations and by fiscal years and months, May 1941 through June 1943*

[On basis of reports of sales]

Period	Sales in millions of dollars at issue price								Percentage distribution of sales							
	Total, all denominations	Denomination							Total, all denominations	Denomination						
		$25	$50	$100	$500	$1,000	$5,000	$10,000		$25	$50	$100	$500	$1,000	$5,000	$10,000
	Series E															
By fiscal years:																
1941	203.1	14.4	13.3	41.4	40.7	93.4	.....	.....	100.0	7.1	6.5	20.4	20.0	46.0	.....	.....
1942	3,541.3	613.1	342.8	816.4	641.6	1,127.4	.....	.....	100.0	17.3	9.7	23.1	18.1	31.8	.....	.....
1943	8,180.5	2,951.8	1,068.4	1,695.2	997.6	1,467.5	.....	.....	100.0	36.1	13.1	20.7	12.2	17.9	.....	.....
By months:																
1941—May	100.6	6.3	6.1	19.4	20.2	48.6	.....	.....	100.0	6.3	6.0	19.3	20.1	48.3	.....	.....
June	102.5	8.1	7.2	21.9	20.5	44.8	.....	.....	100.0	7.9	7.0	21.4	20.0	43.7	.....	.....
July	144.1	9.9	9.0	29.1	30.3	65.8	.....	.....	100.0	6.9	6.2	20.2	21.0	45.7	.....	.....
August	118.8	10.4	8.9	26.6	24.0	48.9	.....	.....	100.0	8.7	7.5	22.4	20.2	41.2	.....	.....
September	112.8	11.2	9.2	26.3	22.0	44.0	.....	.....	100.0	9.9	8.2	23.4	19.5	39.0	.....	.....
October	122.0	13.1	10.0	28.5	24.1	46.3	.....	.....	100.0	10.8	8.2	23.3	19.7	38.0	.....	.....
November	111.4	13.6	9.8	27.0	21.4	39.6	.....	.....	100.0	12.2	8.8	24.2	19.2	35.6	.....	.....
December	402.6	49.9	39.8	96.3	81.0	135.6	.....	.....	100.0	12.4	9.9	23.9	20.1	33.7	.....	.....
1942—January	667.4	72.1	55.1	135.2	138.9	266.1	.....	.....	100.0	10.8	8.2	20.3	20.8	39.9	.....	.....
February	366.1	52.6	33.0	86.4	68.8	125.2	.....	.....	100.0	14.4	9.0	23.6	18.8	34.2	.....	.....
March	327.5	66.2	33.8	79.2	56.5	91.8	.....	.....	100.0	20.2	10.3	24.2	17.3	28.0	.....	.....
April	333.2	76.0	35.5	80.5	54.4	86.9	.....	.....	100.0	22.8	10.6	24.2	16.3	26.1	.....	.....
May	416.5	105.4	47.2	101.8	64.7	97.4	.....	.....	100.0	25.3	11.3	24.5	15.5	23.4	.....	.....
June	419.1	132.8	51.5	99.5	55.5	79.7	.....	.....	100.0	31.7	12.3	23.7	13.3	19.0	.....	.....
July	500.5	159.3	60.2	112.8	67.3	100.9	.....	.....	100.0	31.8	12.0	22.5	13.5	20.2	.....	.....
August	440.5	164.4	58.6	97.9	50.3	69.1	.....	.....	100.0	37.3	13.3	22.3	11.4	15.7	.....	.....
September	545.1	202.4	72.1	119.8	64.5	86.3	.....	.....	100.0	37.1	13.2	22.0	11.8	15.9	.....	.....
October	585.6	222.6	78.4	125.5	68.2	90.9	.....	.....	100.0	38.0	13.4	21.4	11.7	15.5	.....	.....
November	542.6	215.2	74.5	116.0	60.5	76.5	.....	.....	100.0	39.7	13.7	21.4	11.1	14.1	.....	.....
December	745.6	272.3	101.3	160.9	91.5	119.6	.....	.....	100.0	36.5	13.6	21.6	12.3	16.0	.....	.....
1943—January	811.7	270.2	99.4	157.2	100.5	184.4	.....	.....	100.0	33.3	12.2	19.4	12.4	22.7	.....	.....
February	629.2	241.6	83.1	119.3	68.5	116.7	.....	.....	100.0	38.4	13.2	19.0	10.9	18.5	.....	.....
March	712.7	290.3	98.2	133.8	75.0	115.3	.....	.....	100.0	40.7	13.8	18.8	10.5	16.2	.....	.....
April	1,030.6	310.3	121.0	215.6	152.2	231.5	.....	.....	100.0	30.1	11.7	20.9	14.8	22.5	.....	.....
May	967.8	315.6	122.9	208.3	134.7	186.3	.....	.....	100.0	32.6	12.7	21.5	13.9	19.3	.....	.....
June	668.8	287.5	98.8	128.0	64.3	90.1	.....	.....	100.0	43.0	14.8	19.1	9.6	13.5	.....	.....

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TABLE 36.—*Sales of United States savings bonds of Series E, Series F, and Series G, by denominations and by fiscal years and months, May 1941 through June 1943*—Continued

Period	Sales in millions of dollars at issue price								Percentage distribution of sales							
	Total, all denominations	Denomination							Total, all denominations	Denomination						
		$25	$50	$100	$500	$1,000	$5,000	$10,000		$25	$50	$100	$500	$1,000	$5,000	$10,000
	Series F															
By fiscal years:																
1941	75.0			0.9	2.1	14.2	13.6	44.2	100.0			1.2	2.8	18.9	18.2	58.9
1942	437.0	1.3		19.3	27.4	123.7	92.0	173.4	100.0	.3		4.4	6.3	28.3	21.0	39.7
1943	746.9	3.9		24.1	39.6	205.7	167.3	306.5	100.0	.5		3.2	5.3	27.6	22.4	41.0
By months:																
1941—May	52.6			.5	1.2	8.9	9.2	32.8	100.0			.9	2.3	16.8	17.6	62.4
June	22.4			.4	.9	5.3	4.4	11.4	100.0			1.8	4.0	23.8	19.6	50.8
July	27.1			.6	1.3	7.4	5.7	12.0	100.0			2.3	4.9	27.3	21.0	44.5
August	18.2			.5	1.1	5.1	4.1	7.4	100.0			2.9	5.9	28.1	22.6	40.5
September	19.5			.6	1.0	5.6	4.2	8.1	100.0			3.0	5.4	28.6	21.7	41.3
October	22.2			.7	1.3	6.7	5.3	8.3	100.0			3.3	5.7	30.0	23.7	37.3
November	18.2			.7	1.1	5.6	3.9	6.9	100.0			3.6	6.2	31.0	21.2	38.0
December	50.0			1.9	2.8	13.8	10.6	20.9	100.0			3.9	5.6	27.6	21.1	41.8
1942—January	83.5	.2		3.7	5.2	20.3	15.3	38.9	100.0	.2		4.4	6.2	24.3	18.3	46.6
February	39.8	.2		2.7	3.0	11.5	8.2	14.3	100.0	.5		6.8	7.4	28.8	20.7	35.8
March	36.6	.2		2.2	2.8	10.8	7.5	13.1	100.0	.6		6.1	7.5	29.5	20.6	35.7
April	38.2	.2		1.9	2.5	11.2	8.5	14.0	100.0	.5		4.9	6.5	29.3	22.2	36.6
May	41.7	.2		1.9	2.7	12.6	9.4	14.9	100.0	.6		4.5	6.4	30.2	22.5	35.8
June	41.9	.2		1.8	2.7	13.1	9.4	14.7	100.0	.6		4.3	6.4	31.4	22.3	35.0
July	75.3	.2		2.0	3.3	17.5	14.9	37.4	100.0	.3		2.6	4.4	23.2	19.8	49.7
August	48.4	.2		1.5	2.6	13.3	10.2	20.7	100.0	.3		3.2	5.3	27.5	21.0	42.7
September	69.2	.2		1.8	3.4	19.2	14.6	30.0	100.0	.3		2.6	4.9	27.7	21.1	43.4
October	49.5	.2		1.9	3.1	15.5	12.2	16.6	100.0	.4		3.8	6.3	31.3	24.6	33.6
November	41.9	.2		1.6	2.6	13.5	10.0	13.9	100.0	.5		3.9	6.1	32.3	24.0	33.2
December	65.1	.5		2.6	3.9	19.7	15.4	22.9	100.0	.7		4.0	6.1	30.3	23.7	35.2
1943—January	75.6	.3		2.1	3.2	16.3	14.8	38.8	100.0	.5		2.7	4.3	21.5	19.6	51.4
February	50.9	.3		1.9	2.7	12.4	10.1	23.6	100.0	.6		3.7	5.3	24.3	19.8	46.3
March	43.7	.3		1.6	2.5	11.7	9.5	18.1	100.0	.7		3.7	5.6	26.7	21.8	41.5
April	120.8	.5		2.8	5.4	32.4	29.5	50.3	100.0	.4		2.3	4.5	26.8	24.4	41.6
May	71.9	.6		2.9	4.7	23.2	17.2	23.4	100.0	.8		4.0	6.6	32.2	23.9	32.5
June	34.6	.4		1.8	2.2	11.0	8.9	10.7	100.0	1.0		4.2	6.3	31.9	25.6	31.0

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	Series G														
By fiscal years:															
1941	451.4			5.2	12.2	90.7	80.9	262.4	100.0			1.2	2.7	20.1	17.9	58.1
1942	2,027.8			50.6	112.7	576.0	403.5	885.0	100.0			2.5	5.6	28.4	19.9	43.6
1943	2,750.1			80.6	187.2	800.2	524.4	1,157.7	100.0			2.9	6.8	29.1	19.1	42.1
By months:																
1941—May	310.3			3.2	7.5	57.3	53.9	188.5	100.0			1.0	2.4	18.5	17.4	60.7
June	141.1			2.0	4.7	33.4	27.0	73.9	100.0			1.4	3.3	23.7	19.2	52.4
July	162.9			2.5	6.7	43.9	34.2	75.5	100.0			1.6	4.1	27.0	21.0	46.3
August	118.0			2.0	4.9	31.2	24.9	55.0	100.0			1.7	4.1	26.5	21.1	46.6
September	111.5			1.9	4.2	29.5	23.1	52.7	100.0			1.7	3.8	26.5	20.7	47.3
October	125.7			2.3	5.4	34.2	25.9	57.9	100.0			1.9	4.3	27.2	20.6	46.0
November	104.5			2.1	4.6	29.2	21.8	46.8	100.0			2.0	4.4	28.0	20.8	44.8
December	201.4			5.9	12.6	61.2	41.0	80.8	100.0			2.9	6.3	30.4	20.3	40.1
1942—January	378.2			8.1	20.6	95.8	62.4	191.2	100.0			2.1	5.5	25.3	16.5	50.6
February	179.8			4.8	10.3	49.7	35.2	79.8	100.0			2.7	5.7	27.6	19.6	44.4
March	156.1			4.7	10.3	47.0	31.2	62.9	100.0			3.0	6.6	30.1	20.0	40.3
April	152.4			5.0	10.7	50.1	34.1	62.4	100.0			3.1	6.6	30.9	21.0	38.4
May	160.3			5.7	11.4	52.5	34.1	56.6	100.0			3.5	7.1	32.8	21.3	35.3
June	167.2			5.5	11.0	51.6	35.8	63.3	100.0			3.3	6.5	30.9	21.4	37.9
July	328.4			7.1	15.7	73.2	52.0	180.4	100.0			2.2	4.8	22.3	15.8	54.9
August	181.1			4.9	10.6	50.0	35.6	79.8	100.0			2.7	5.9	27.6	19.7	44.1
September	213.0			5.7	13.0	60.9	45.8	87.7	100.0			2.7	6.1	28.6	21.5	41.1
October	169.2			5.4	12.0	53.9	36.4	61.5	100.0			3.2	7.1	31.8	21.5	36.4
November	141.6			5.0	10.5	47.3	30.3	48.5	100.0			3.5	7.4	33.4	21.4	34.3
December	227.4			7.4	16.7	70.2	48.1	84.9	100.0			3.2	7.3	30.9	21.2	37.4
1943—January	345.9			7.4	19.1	80.1	52.5	186.7	100.0			2.1	5.5	23.2	15.2	54.0
February	206.4			5.4	12.5	54.1	34.1	100.3	100.0			2.6	6.1	26.2	16.5	48.6
March	181.2			5.5	13.0	55.2	32.6	74.9	100.0			3.1	7.2	30.4	18.0	41.3
April	393.8			12.2	30.4	126.7	82.3	142.2	100.0			3.1	7.7	32.2	20.9	36.1
May	219.8			9.6	21.6	79.1	44.4	65.1	100.0			4.4	9.8	36.0	20.2	29.6
June	142.2			5.0	12.1	49.4	30.1	45.5	100.0			3.5	8.5	34.8	21.2	32.0

NOTE.—Dollar figures are rounded to nearest tenth of a million and will not necessarily add to totals.

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TABLE 37.—*Sales of United States savings bonds of Series E and Series F and G, by States and by calendar years, fiscal years, and months, May 1941 through June 1943*

PART A. SERIES E

[In thousands of dollars at issue price. On basis of reports of sales]

Period	Total	Alabama	Arizona	Arkansas	California	Colorado	Connecticut	Delaware	District of Columbia	Florida	Georgia	Idaho	Illinois	Indiana
Calendar year 1941	1,214,727	8,741	3,648	6,593	80,420	9,749	25,025	2,564	13,310	12,688	12,339	3,358	95,208	23,554
Calendar year 1942	5,889,542	58,407	17,906	36,957	439,147	41,732	133,859	16,139	56,756	62,820	62,759	18,262	450,118	144,386
Fiscal year 1941	203,098	1,381	711	940	9,920	1,793	3,943	469	2,592	2,487	1,642	435	14,737	3,644
Fiscal year 1942	3,541,323	28,996	10,313	21,404	260,592	24,845	77,543	7,629	34,827	39,565	35,642	9,840	282,055	76,661
Fiscal year 1943	8,180,538	91,272	27,846	52,764	638,877	62,132	168,258	21,824	83,143	89,496	94,524	27,845	575,056	213,813
1941—May	100,581	565	302	427	4,845	870	1,832	200	1,347	1,205	813	215	7,195	1,757
June	102,517	815	408	513	5,075	923	2,111	269	1,245	1,282	829	269	7,542	1,888
July	144,105	1,041	565	645	11,279	835	2,649	257	1,354	1,628	1,423	248	11,435	2,507
August	118,825	697	272	534	8,041	810	2,353	232	1,175	964	1,607	198	10,583	2,063
September	112,782	771	342	667	6,275	888	2,299	244	1,076	915	1,344	346	9,524	2,284
October	121,961	906	316	662	7,513	1,185	2,668	232	1,561	1,281	1,418	417	10,162	2,302
November	111,370	710	288	753	7,181	1,025	2,428	239	1,439	994	1,082	329	8,940	2,452
December	402,585	3,234	1,154	2,393	30,210	3,213	8,685	892	4,113	4,420	3,822	1,335	29,828	8,302
1942—January	667,407	5,324	1,840	3,715	51,634	4,373	13,613	1,217	5,531	7,048	6,540	1,531	52,726	12,860
February	366,055	2,702	958	2,246	31,921	2,105	8,691	863	3,608	4,407	3,450	949	27,933	7,710
March	327,495	2,460	970	2,107	24,688	2,189	7,232	753	3,330	4,206	2,995	908	26,688	7,866
April	333,214	2,713	1,040	2,118	21,709	2,584	7,296	756	3,446	4,439	2,958	1,047	25,546	7,560
May	416,450	3,924	1,418	2,992	29,000	2,795	9,199	909	3,771	4,994	4,721	1,399	35,838	9,961
June	419,072	4,513	1,149	2,573	31,139	2,844	10,430	1,037	4,423	4,269	4,282	1,132	32,854	10,794
July	500,456	6,671	1,626	2,924	37,157	3,306	11,180	1,103	4,434	5,481	5,421	1,285	38,891	11,801
August	440,467	5,262	1,422	2,522	33,435	3,412	9,948	1,124	4,760	4,563	5,007	1,437	33,598	11,112
September	545,111	6,269	1,675	3,235	41,004	3,933	10,362	1,714	4,728	5,770	6,201	1,820	39,072	14,464
October	585,609	5,787	1,775	3,686	44,829	4,675	16,295	2,613	5,359	5,257	5,938	2,218	44,970	15,156
November	542,644	5,942	1,677	3,671	36,526	3,676	11,739	2,040	5,596	5,437	6,811	2,279	40,091	15,323
December	745,562	6,841	2,355	5,169	56,102	5,840	17,874	2,012	7,771	6,950	8,436	2,255	51,912	19,778
1943—January	811,704	8,778	2,774	6,020	63,819	6,478	17,240	1,872	8,099	9,160	10,308	2,640	54,882	21,560
February	629,206	7,207	2,100	4,452	51,828	4,995	10,868	1,496	6,667	7,126	8,303	2,594	44,602	17,885
March	712,666	7,697	2,472	4,005	56,514	5,086	14,570	1,692	7,252	7,860	8,233	2,266	53,559	19,696
April	1,030,582	13,522	3,976	7,729	75,703	9,101	15,843	2,230	9,293	12,445	12,125	3,863	66,607	25,764
May	967,762	11,106	3,760	5,743	82,735	7,517	17,866	2,236	10,870	11,401	10,256	3,438	62,606	23,801
June	668,769	6,191	2,233	3,609	59,222	4,113	14,473	1,692	8,314	8,047	7,486	1,751	44,265	17,472
Total, May 1941 to June 1943	11,924,959	121,649	38,870	75,108	909,388	88,770	249,744	29,922	120,562	131,548	131,808	38,170	871,847	294,118

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Period	Iowa	Kansas	Kentucky	Louisiana	Maine	Maryland	Massachusetts	Michigan	Minnesota	Mississippi	Missouri	Montana	Nebraska	Nevada
Calendar year 1941	17,133	11,777	11,010	11,668	6,196	17,595	48,728	49,706	22,243	7,090	39,011	6,755	7,956	1,381
Calendar year 1942	128,447	65,503	58,755	64,221	28,297	77,626	223,140	304,417	121,772	37,845	139,368	27,711	45,714	8,037
Fiscal year 1941	2,743	1,879	1,835	1,824	1,083	2,745	9,110	8,108	3,624	901	7,483	771	1,384	149
Fiscal year 1942	69,558	35,310	34,293	36,800	17,746	49,009	141,217	160,150	71,181	22,973	94,800	17,710	26,045	4,340
Fiscal year 1943	176,508	106,190	87,607	94,910	37,361	108,604	280,091	481,637	179,108	52,870	195,868	39,432	72,211	11,466
1941—May	1,313	874	793	933	552	1,293	4,499	3,128	1,770	440	3,413	375	669	58
June	1,430	1,005	1,042	892	530	1,452	4,610	4,981	1,854	461	4,069	396	716	91
July	1,868	1,256	1,167	1,622	623	1,691	6,357	5,149	2,345	930	4,791	555	850	154
August	1,605	1,086	1,004	1,058	563	1,556	4,870	4,376	2,359	623	4,141	484	740	100
September	1,493	1,409	1,048	966	657	1,458	4,116	4,715	2,050	671	3,264	616	830	91
October	1,653	1,372	1,043	1,028	705	1,783	4,990	5,990	2,701	764	3,719	829	896	158
November	1,695	1,167	1,071	825	711	1,614	4,690	4,992	2,561	747	3,226	883	868	125
December	6,077	3,608	3,841	4,343	1,855	6,747	14,596	16,376	6,603	2,453	12,387	2,616	2,387	605
1942—January	9,460	5,868	6,494	6,876	3,145	9,735	27,196	25,794	12,547	4,606	15,687	2,950	4,161	821
February	5,880	4,628	3,622	3,776	1,930	5,512	16,634	16,154	7,122	2,678	8,856	1,787	2,738	475
March	9,947	3,847	3,467	3,728	1,558	4,095	12,525	15,781	6,893	2,284	8,244	1,823	3,058	419
April	9,283	2,999	3,051	3,190	1,688	4,103	12,951	16,202	7,659	2,130	8,235	1,633	3,213	379
May	9,846	3,912	4,086	4,629	2,179	5,118	15,889	20,965	8,898	2,632	11,287	1,827	3,266	513
June	10,752	4,158	4,399	4,757	2,131	5,596	16,402	23,656	9,444	2,454	10,961	1,706	3,037	501
July	11,056	4,680	5,643	5,886	2,407	6,554	18,126	25,690	10,443	3,094	11,067	2,232	3,656	656
August	9,729	5,269	4,974	4,923	2,224	6,246	18,212	19,790	8,952	2,519	10,236	1,816	3,419	643
September	10,924	6,422	5,170	5,680	2,252	6,796	18,066	34,188	11,218	2,776	12,619	2,328	4,602	879
October	10,733	6,850	5,463	6,917	3,156	7,419	20,822	34,452	10,772	3,579	12,018	2,980	4,725	844
November	10,692	7,823	5,196	6,014	2,430	7,188	18,648	32,550	11,134	3,899	13,165	2,582	3,987	956
December	20,145	9,049	7,189	7,844	3,195	9,264	27,666	39,194	16,691	5,193	16,991	4,048	5,852	950
1943—January	18,288	9,017	8,938	9,152	4,427	10,472	29,844	43,419	16,279	5,396	18,957	4,053	6,565	1,113
February	12,426	8,320	7,640	6,970	2,416	8,782	19,836	38,134	12,712	4,223	14,333	2,786	5,586	880
March	18,270	10,681	7,434	8,169	3,339	9,202	23,953	48,697	13,448	4,129	15,715	2,807	6,616	893
April	23,975	16,650	13,224	13,697	4,448	12,847	29,454	69,473	34,629	9,376	29,260	8,081	11,382	1,290
May	17,815	13,827	10,130	12,423	4,193	12,911	30,745	55,513	21,235	5,503	24,831	3,359	10,913	1,612
June	12,455	7,604	6,606	7,234	2,874	10,923	24,718	40,537	11,595	3,184	16,675	2,361	4,907	748
Total, May 1941 to June 1943	248,809	143,379	123,736	133,534	56,190	160,358	430,417	649,896	253,913	76,745	298,150	57,913	99,640	15,955

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TABLE 37.—*Sales of United States savings bonds of Series E and Series F and G, by States and by calendar years, fiscal years, and months, May 1941 through June 1943*—Continued

PART A. SERIES E—Continued

[In thousands of dollars at issue price]

Period	New Hampshire	New Jersey	New Mexico	New York	North Carolina	North Dakota	Ohio	Oklahoma	Oregon	Pennsylvania	Rhode Island	South Carolina	South Dakota	Tennessee
Calendar year 1941	3,572	61,199	2,302	224,626	13,248	3,594	64,481	12,888	14,318	98,079	7,704	5,857	3,402	11,655
Calendar year 1942	20,374	238,953	11,683	846,833	81,402	21,644	340,556	55,949	67,955	464,405	42,336	36,762	20,423	68,830
Fiscal year 1941	595	9,904	243	44,582	1,492	475	10,886	2,302	3,154	14,443	1,478	874	449	1,707
Fiscal year 1942	11,760	160,538	6,978	587,249	42,297	11,394	190,262	34,482	37,394	283,782	24,293	18,782	11,783	36,734
Fiscal year 1943	25,787	303,807	17,284	991,988	113,869	34,349	506,364	82,143	107,674	626,051	53,748	53,401	33,171	100,530
1941—May	318	4,951	110	25,339	737	235	5,169	942	1,380	6,955	784	436	209	816
June	277	4,953	133	19,244	755	240	5,716	1,359	1,774	7,488	695	438	241	891
July	444	5,879	168	30,724	1,360	307	7,218	1,249	1,530	8,636	819	712	322	1,482
August	367	5,209	210	20,937	1,124	270	6,554	927	1,382	11,896	748	568	282	1,031
September	335	6,642	236	29,696	1,311	316	5,684	1,129	1,611	10,239	688	655	317	1,094
October	412	6,311	307	21,582	1,637	393	6,655	1,170	1,504	8,616	724	538	377	1,337
November	374	5,807	236	17,927	1,362	472	6,173	1,249	1,425	8,798	785	591	361	1,116
December	1,046	21,447	902	68,179	4,962	1,361	21,311	4,863	3,713	35,451	2,461	1,919	1,293	3,888
1942—January	2,300	31,895	1,246	130,656	7,461	1,946	37,244	6,783	6,714	54,409	4,158	2,741	1,851	6,990
February	1,410	16,092	672	61,589	4,332	1,298	17,680	3,197	4,383	27,042	3,304	1,738	1,212	3,640
March	1,128	14,076	609	46,954	3,824	1,130	17,556	3,025	3,318	25,856	2,467	1,897	1,270	3,502
April	1,010	13,816	826	52,907	3,669	1,113	17,537	2,892	3,079	28,784	2,358	2,198	1,392	3,138
May	1,427	16,066	802	57,336	6,163	1,476	23,850	4,210	4,165	31,906	2,774	2,559	1,647	4,841
June	1,509	17,298	763	57,763	5,090	1,311	22,799	3,789	4,571	32,149	3,005	2,668	1,458	4,676
July	1,791	18,505	909	74,931	6,443	1,575	31,152	4,471	6,337	36,801	3,305	3,091	1,685	6,591
August	1,600	16,688	880	54,990	5,944	1,306	27,876	4,674	5,674	35,058	3,574	3,002	1,354	5,593
September	1,829	23,241	927	72,866	8,923	1,650	34,085	5,052	7,038	43,944	2,653	4,154	1,614	7,485
October	2,300	23,634	1,174	77,332	8,540	1,794	31,980	5,564	7,062	46,459	5,477	3,742	1,608	6,766
November	1,754	19,993	1,058	70,221	9,361	2,635	31,001	4,718	6,381	42,641	3,380	3,914	2,092	6,791
December	2,317	27,650	1,816	89,287	11,650	4,407	47,796	7,574	9,234	59,356	5,878	5,059	3,239	8,818
1943—January	2,316	30,047	1,741	102,724	12,742	4,260	50,494	10,742	10,550	59,059	5,020	5,122	2,765	10,956
February	2,136	22,070	1,552	72,550	8,719	3,471	39,384	6,917	7,499	49,624	3,019	4,066	2,452	7,833
March	2,348	27,647	1,370	82,583	9,049	2,156	41,202	6,471	9,280	51,762	5,464	4,487	2,905	7,922
April	2,612	32,038	2,569	105,581	13,345	6,465	67,065	10,963	13,055	74,743	5,555	6,677	8,361	13,059
May	2,806	36,902	2,036	114,815	10,948	2,977	63,682	9,518	15,473	73,336	6,405	6,073	3,136	11,008
June	1,978	25,394	1,251	74,108	8,205	1,651	40,648	5,478	10,091	53,269	4,016	4,015	1,960	7,708
Total, May 1941 to June 1943	38,142	474,250	24,504	1,623,819	157,657	46,218	707,511	118,927	148,222	924,275	79,519	73,058	45,403	138,972

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Period	Texas	Utah	Vermont	Virginia	Washington	West Virginia	Wisconsin	Wyoming	Alaska	Canal Zone	Hawaii	Puerto Rico	Virgin Islands	Other possessions	Unallocated
Calendar year 1941	48,167	3,149	2,590	18,237	19,198	9,136	26,229	2,517	441	-------	2,165	504	14	10	-------
Calendar year 1942	205,479	18,645	11,516	101,214	108,430	46,083	127,940	11,684	6,206	1,130	47,620	3,277	147	4	11,964
Fiscal year 1941	8,717	474	486	2,319	3,778	1,187	4,607	339	5	-------	220	-------	-------	-------	-------
Fiscal year 1942	126,056	9,919	7,550	56,272	57,962	27,642	77,668	7,066	2,959	315	15,837	1,726	91	14	1,472
Fiscal year 1943	306,265	33,242	14,175	145,469	163,924	64,583	172,650	17,313	7,397	4,338	61,066	5,422	203	(*)	63,624
1941—May	4,340	200	270	1,119	1,738	572	2,035	154	1	-------	90	-------	-------	-------	-------
June	4,377	274	216	1,201	2,040	614	2,572	184	4	-------	130	-------	-------	-------	-------
July	8,947	375	370	1,775	2,296	859	2,769	228	98	-------	251	58	(*)	2	-------
August	5,690	272	280	1,860	1,737	641	2,258	187	38	-------	235	22	6	-------	-------
September	3,414	371	270	1,442	2,193	759	2,359	231	28	-------	373	26	(*)	5	-------
October	3,371	315	286	1,630	2,043	945	2,710	245	74	-------	489	34	1	1	-------
November	3,337	301	262	1,584	2,027	832	2,521	280	70	-------	387	53	5	2	-------
December	14,690	1,042	636	7,627	5,124	3,913	9,005	1,007	128	-------	210	309	2	-------	-------
1942—January	21,952	1,905	1,533	10,260	9,070	5,518	14,029	1,275	356	-------	1,464	333	23	-------	-------
February	12,362	1,017	1,059	5,544	6,883	2,882	7,575	701	306	-------	626	166	11	-------	-------
March	12,161	917	613	4,865	5,579	2,522	7,511	684	433	106	1,167	211	15	-------	35
April	11,088	953	688	5,350	5,174	2,470	7,124	712	353	-------	4,219	163	14	-------	263
May	15,269	1,339	788	7,241	8,267	3,089	9,280	737	485	165	3,850	189	4	4	553
June	13,775	1,114	766	7,095	7,569	3,211	10,527	779	591	44	2,566	160	10	(*)	621
July	16,791	1,463	967	8,160	9,025	3,846	11,402	869	577	100	6,163	221	2	(*)	813
August	15,202	1,507	844	8,291	9,177	3,338	10,358	831	592	130	3,838	164	5	-------	1,423
September	19,831	1,658	873	9,905	9,283	4,086	11,256	1,099	647	155	4,824	350	17	-------	1,500
October	20,417	2,170	1,300	10,296	11,795	4,835	12,566	1,345	648	117	5,285	387	13	-------	1,714
November	19,694	1,956	942	10,394	10,914	4,638	11,486	1,008	548	80	5,305	424	17	-------	2,226
December	26,938	2,647	1,143	13,814	15,694	5,648	14,825	1,645	671	232	8,314	508	17	-------	2,816
1943—January	28,853	3,716	1,527	15,756	16,239	7,192	16,003	1,794	556	627	5,147	493	40	-------	5,671
February	23,004	2,851	986	11,302	12,145	5,220	13,308	1,326	431	613	5,322	582	23	(*)	5,633
March	26,963	3,068	1,159	12,493	14,965	6,377	13,241	1,388	530	547	4,076	1,293	18	-------	7,649
April	45,901	4,694	1,494	16,804	18,630	7,163	25,561	2,511	1,007	600	4,635	321	20	-------	3,167
May	37,823	4,521	1,850	16,333	21,738	7,151	19,657	2,392	590	624	3,673	374	16	-------	13,563
June	24,848	2,992	1,089	11,910	14,319	5,090	12,986	1,107	601	512	4,485	303	14	-------	17,449
Total, May 1941 to June 1943	441,038	43,635	22,211	204,050	225,664	93,412	254,925	24,718	10,362	4,653	77,123	7,148	293	14	65,096

*Less than $500.

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TABLE 37.—*Sales of United States savings bonds of Series E and Series F and G, by States and by calendar years, fiscal years, and months, May 1941 through June 1943*—Continued

PART B. SERIES F AND G COMBINED

[In thousands of dollars at issue price]

Period	Total	Alabama	Arizona	Arkansas	California	Colorado	Connecticut	Delaware	District of Columbia	Florida	Georgia	Idaho	Illinois	Indiana
Calendar year 1941	1,505,551	6,570	2,376	3,517	77,568	9,900	39,370	7,137	15,086	11,524	9,233	1,895	143,001	21,713
Calendar year 1942	3,095,669	24,567	5,918	18,505	173,136	25,347	70,302	13,476	27,432	30,539	28,838	8,802	241,703	65,074
Fiscal year 1941	526,361	2,393	950	1,024	20,402	3,908	14,937	2,524	5,166	3,379	2,878	291	59,605	6,285
Fiscal year 1942	2,464,772	13,099	4,232	13,738	140,602	18,302	59,894	11,910	23,247	22,219	17,982	7,339	202,041	45,123
Fiscal year 1943	3,496,973	32,007	8,421	16,578	224,145	29,746	81,128	12,326	33,757	36,705	37,831	8,031	272,112	79,524
1941—May	362,887	1,802	407	483	12,440	2,974	10,148	1,472	3,815	2,270	2,108	205	45,380	4,110
June	163,474	591	543	540	7,962	934	4,789	1,052	1,351	1,109	771	86	14,226	2,175
July	189,920	599	319	437	11,699	1,442	4,792	769	1,800	1,509	946	447	15,350	3,283
August	136,182	607	241	358	8,193	803	4,113	785	1,325	1,124	1,303	172	12,642	1,840
September	130,979	679	134	300	7,827	659	2,945	893	962	950	816	149	12,126	1,954
October	147,925	563	146	394	7,310	889	3,642	550	1,481	1,131	730	158	11,440	2,116
November	122,715	496	107	386	6,586	822	3,305	623	800	953	663	125	10,460	2,151
December	251,469	1,232	478	617	15,550	1,377	5,636	993	3,552	2,479	1,896	553	21,377	4,084
1942—January	461,697	2,207	706	5,364	28,663	4,954	9,909	2,037	4,023	4,198	2,903	2,171	40,682	8,312
February	219,578	1,486	663	999	14,132	1,492	4,291	1,488	2,112	2,452	1,551	653	13,244	3,241
March	192,745	1,270	280	2,741	8,416	1,392	3,693	949	2,511	1,916	1,940	1,838	15,939	4,484
April	200,523	1,281	420	675	10,276	1,631	5,364	717	1,673	1,955	1,357	451	13,494	4,142
May	201,955	1,402	344	812	11,198	1,388	6,804	656	1,476	1,800	1,759	443	15,881	4,226
June	209,084	1,276	394	653	10,751	1,453	5,399	1,449	1,533	1,752	2,118	179	19,404	5,289
July	403,735	5,399	550	1,019	21,283	2,897	10,391	1,272	3,321	3,716	3,965	770	33,306	8,063
August	229,469	1,688	524	844	13,145	1,898	5,384	907	1,817	1,766	1,948	535	20,568	5,455
September	282,261	2,552	414	1,243	14,404	2,723	5,020	969	1,996	3,796	2,393	508	23,390	7,082
October	218,692	1,921	778	1,246	15,026	1,824	4,725	802	1,735	1,946	2,066	469	15,724	5,342
November	183,429	1,457	391	1,250	11,841	1,378	3,736	1,093	1,953	2,704	3,439	340	9,314	3,545
December	292,501	2,629	455	1,658	14,001	2,316	5,585	1,137	3,284	2,538	3,399	445	20,757	5,892
1943—January	421,504	3,454	1,246	1,649	30,034	3,079	9,371	1,083	3,455	3,681	3,968	1,278	39,675	11,001
February	257,317	1,387	751	1,200	19,121	2,248	7,008	801	2,841	2,339	3,874	614	18,076	5,080
March	224,868	1,592	512	708	17,616	1,626	6,219	903	2,721	2,384	2,083	798	21,319	4,619
April	514,610	7,282	1,450	4,127	32,478	4,639	8,196	1,624	4,794	6,973	7,001	994	33,354	12,144
May	291,739	1,396	909	854	23,001	3,485	11,496	816	4,707	2,654	1,734	952	23,584	6,819
June	176,848	1,251	440	779	12,196	1,632	3,996	918	1,133	2,208	1,961	327	13,045	4,482
Total, May 1941 to June 1943	6,488,106	47,499	13,603	31,339	385,149	51,957	155,958	26,760	62,170	62,303	58,691	15,660	533,758	130,932

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Period	Iowa	Kansas	Kentucky	Louisiana	Maine	Maryland	Massachusetts	Michigan	Minnesota	Mississippi	Missouri	Montana	Nebraska	Nevada
Calendar year 1941	13,944	7,832	13,859	7,475	10,355	21,679	97,732	41,659	30,994	3,540	53,776	3,134	7,577	930
Calendar year 1942	49,134	23,905	34,402	37,497	18,904	50,537	164,492	84,537	57,666	16,847	76,171	8,382	21,160	3,547
Fiscal year 1941	4,498	2,459	4,356	2,477	3,974	6,800	35,087	13,928	9,770	973	23,952	612	3,523	354
Fiscal year 1942	30,676	14,486	24,516	21,651	16,570	40,093	144,199	65,040	49,069	10,061	68,651	6,322	14,132	2,349
Fiscal year 1943	71,432	34,897	43,755	44,461	20,245	54,252	174,999	106,363	69,692	21,812	84,266	10,529	30,414	4,441
1941—May	3,176	1,699	3,042	1,854	2,677	4,431	25,496	8,840	6,517	512	17,378	380	2,411	158
June	1,323	760	1,314	623	1,297	2,369	9,591	5,088	3,253	461	6,573	232	1,112	196
July	1,312	798	1,928	872	1,164	1,910	13,609	5,331	3,676	562	6,165	215	775	157
August	1,371	847	1,553	466	1,123	1,587	10,326	3,942	3,214	246	4,158	405	507	104
September	1,090	811	1,356	492	891	2,290	7,680	3,655	3,343	480	3,223	305	612	66
October	1,355	947	1,337	555	949	2,504	10,213	3,523	4,283	298	4,477	670	516	26
November	1,189	592	1,392	814	776	2,537	8,335	2,900	2,312	239	4,403	344	565	17
December	3,131	1,378	1,938	1,798	1,477	4,050	12,480	8,381	4,396	741	7,399	582	1,078	207
1942—January	4,725	2,198	3,979	3,523	2,734	7,503	25,680	11,060	9,655	1,975	9,986	1,057	3,662	380
February	2,535	2,065	3,674	6,922	1,270	4,259	9,434	5,938	4,229	1,279	5,432	619	1,528	529
March	2,956	1,499	1,779	1,569	1,920	3,550	10,389	3,583	3,492	1,148	4,841	895	1,517	496
April	3,791	1,062	2,170	1,460	1,241	3,472	12,757	5,012	4,040	1,290	5,575	369	982	139
May	3,260	1,163	1,893	1,754	1,826	2,923	11,485	4,596	3,527	956	6,850	371	1,107	159
June	3,964	1,127	1,519	1,426	1,197	3,507	11,809	7,120	2,902	847	6,142	490	1,282	70
July	6,115	2,675	4,601	2,831	2,310	6,684	27,111	9,473	7,791	1,431	9,073	882	2,483	443
August	3,751	1,869	3,591	2,297	1,261	2,892	12,873	7,778	4,458	1,265	4,922	558	1,275	228
September	6,075	3,124	2,809	5,956	1,235	4,321	9,451	8,804	4,970	1,233	6,093	677	1,931	357
October	3,401	2,306	2,674	2,683	1,253	4,152	10,940	7,201	4,076	1,206	5,728	762	1,470	269
November	2,948	2,077	2,537	2,071	1,009	2,996	9,444	4,884	3,574	1,330	4,680	815	1,227	304
December	5,614	2,741	3,177	5,005	1,646	4,278	13,119	9,088	4,951	2,887	6,848	888	2,696	174
1943—January	8,783	3,222	5,314	3,446	3,315	8,038	25,797	13,243	8,726	2,555	9,297	974	3,874	928
February	5,408	4,109	5,039	2,564	1,740	3,872	15,124	7,452	5,353	1,231	5,724	755	2,367	397
March	7,593	2,533	1,690	2,970	1,261	2,928	11,663	6,361	4,031	1,279	4,963	729	3,316	271
April	10,807	4,995	7,769	9,710	1,764	7,244	14,217	19,255	10,922	5,199	14,572	2,588	3,935	449
May	6,610	3,607	1,804	3,143	2,419	4,209	17,772	7,734	7,599	1,351	7,225	467	4,268	437
June	4,327	1,641	2,749	1,785	1,032	2,638	7,489	5,090	3,240	845	5,140	435	1,570	182
Total, May 1941 to June 1943	106,606	51,843	72,627	68,590	40,789	101,145	354,285	185,331	128,531	32,846	176,868	17,463	48,069	7,143

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TABLE 37.—*Sales of United States savings bonds of Series E and Series F and G, by States and by calendar years, fiscal years, and months, May 1941 through June 1943*—Continued

PART B. SERIES F AND G COMBINED—Continued

[In thousands of dollars at issue price]

Period	New Hampshire	New Jersey	New Mexico	New York	North Carolina	North Dakota	Ohio	Oklahoma	Oregon	Pennsylvania	Rhode Island	South Carolina	South Dakota	Tennessee
Calendar year 1941	5,140	56,358	1,350	389,387	9,574	2,284	70,057	8,493	10,689	153,242	17,833	4,766	1,104	9,154
Calendar year 1942	14,256	116,546	11,412	652,367	39,283	10,999	164,419	21,941	31,377	287,168	28,997	15,589	6,293	30,257
Fiscal year 1941	1,896	20,400	415	141,842	2,338	962	22,466	2,325	2,522	49,547	5,924	1,621	194	3,128
Fiscal year 1942	11,090	93,399	9,034	580,433	26,074	7,515	119,098	16,587	22,095	243,285	28,064	9,459	3,077	18,481
Fiscal year 1943	14,403	118,761	7,025	627,986	44,654	10,937	203,827	25,095	32,892	297,430	30,424	21,712	10,416	39,140
1941—May	1,388	13,819	395	97,736	1,626	718	15,242	1,717	1,962	31,380	4,135	1,117	97	1,924
June	509	6,581	21	44,106	712	244	7,224	608	559	18,167	1,789	504	97	1,204
July	518	6,392	92	52,366	1,065	459	8,206	1,215	1,447	19,739	1,715	870	94	1,414
August	500	3,982	71	33,781	991	100	5,763	724	1,831	13,580	1,724	483	110	790
September	493	4,795	144	34,229	866	153	6,009	888	1,190	14,977	1,274	251	135	726
October	520	5,644	203	39,567	1,308	145	7,640	573	1,180	16,854	2,256	251	143	868
November	363	4,274	53	30,943	1,097	140	6,332	617	709	14,319	1,386	335	126	678
December	850	10,871	371	56,658	1,908	324	13,640	2,151	1,811	24,227	3,554	954	302	1,550
1942—January	2,717	14,494	3,226	107,721	8,572	1,131	22,461	3,131	3,873	41,707	4,622	1,576	495	4,010
February	900	8,104	3,206	49,543	3,296	1,504	9,594	1,753	1,249	21,582	3,194	942	258	1,233
March	1,738	11,166	933	36,113	1,774	2,239	7,680	1,006	4,735	14,607	2,861	1,298	487	2,399
April	1,080	8,469	248	46,779	1,683	490	10,472	1,478	1,315	20,949	1,755	992	350	1,714
May	864	6,502	333	46,275	1,855	410	11,414	1,777	1,272	20,685	1,497	605	300	1,679
June	548	8,704	154	46,456	1,658	419	9,887	1,273	1,484	20,058	2,225	902	276	1,420
July	1,630	14,206	509	92,319	3,586	1,076	23,133	2,973	3,641	34,117	3,695	1,761	682	3,997
August	966	8,771	359	44,915	2,021	685	12,264	1,617	2,020	19,817	2,262	1,413	506	2,413
September	996	9,838	507	62,776	5,136	715	15,066	2,103	2,527	25,071	1,661	1,783	520	3,089
October	868	8,167	686	35,201	3,120	732	12,025	1,347	2,741	21,793	1,557	1,249	581	2,888
November	856	6,245	576	30,032	2,745	757	9,699	1,448	2,131	20,843	1,815	1,387	859	2,122
December	1,095	11,879	675	54,236	3,836	840	20,724	2,034	4,389	25,937	1,852	1,683	978	3,293
1943—January	2,857	12,310	680	72,540	4,957	1,775	25,120	3,176	3,214	31,758	2,804	2,132	920	3,819
February	1,177	7,118	667	42,816	2,467	941	14,866	1,464	1,891	17,999	7,115	1,817	567	2,716
March	1,309	7,865	216	38,317	3,167	416	10,662	1,137	1,186	17,918	1,297	1,477	807	2,376
April	1,061	15,316	999	82,836	7,171	1,387	41,294	3,876	3,805	44,705	2,794	3,324	2,456	8,546
May	843	10,492	867	43,532	4,221	1,168	8,446	2,689	3,791	21,728	2,213	2,209	1,146	1,420
June	747	6,554	285	28,466	2,226	444	10,528	1,231	1,555	15,743	1,358	1,478	394	2,461
Total, May 1941 to June 1943	27,389	232,559	16,474	1,350,260	73,067	19,414	345,391	44,007	57,508	590,262	64,411	32,792	13,686	60,749

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Period	Texas	Utah	Vermont	Virginia	Washington	W. Virginia	Wisconsin	Wyoming	Alaska	Canal Zone	Hawaii	Puerto Rico	Virgin Islands	Other possessions	Unallocated
Calendar year 1941	29,438	2,123	2,923	16,215	16,570	5,816	24,876	1,485	147	230	1,781	137	5	239	760
Calendar year 1942	84,069	6,889	7,129	40,666	36,009	16,292	62,075	5,351	1,123	715	13,178	1,367	21	301	8,760
Fiscal year 1941	10,323	1,000	1,011	4,532	6,268	1,492	8,491	501	20	95	47	3	-------	34	461
Fiscal year 1942	54,196	5,019	5,842	28,014	25,898	11,780	42,205	3,690	736	504	5,882	472	26	507	4,768
Fiscal year 1943	110,993	7,474	7,504	53,701	49,753	17,905	86,336	6,010	1,297	1,843	17,367	3,010	1	28	5,181
1941—May	7,294	679	777	3,187	4,240	933	5,529	421	11	52	3	-------	-------	4	316
June	3,029	320	234	1,345	2,028	559	2,962	79	9	43	44	3	-------	30	145
July	3,386	296	539	1,420	2,318	746	2,936	381	12	37	278	1	-------	59	53
August	2,261	177	256	1,041	1,674	369	2,171	56	22	18	240	(*)	-------	57	51
September	2,002	75	198	1,219	1,406	494	2,303	54	15	26	357	-------	5	7	-------
October	2,207	161	348	1,592	1,166	521	2,026	45	4	16	380	73	-------	14	14
November	1,814	270	141	1,528	1,116	331	1,842	90	21	6	212	22	-------	18	37
December	7,445	144	429	4,883	2,621	1,864	5,107	358	53	31	267	38	(*)	50	144
1942—January	10,611	846	1,502	5,467	5,123	1,980	8,424	1,007	92	77	846	67	2	139	1,531
February	4,378	842	498	2,132	1,814	837	3,425	369	271	86	677	6	6	86	277
March	3,157	772	540	1,927	2,040	1,699	2,637	634	160	78	667	244	7	64	2,077
April	4,988	279	445	1,890	1,940	855	3,552	279	34	128	942	19	5	13	584
May	6,268	638	565	2,247	2,510	757	2,873	186	11	-------	373	-------	-------	-------	-------
June	5,679	519	380	2,667	2,170	1,329	4,909	232	40	-------	642	-------	-------	-------	-------
July	11,003	680	792	4,487	4,628	1,839	8,146	546	98	-------	2,549	-------	-------	-------	1,791
August	6,581	384	494	2,646	2,733	1,062	5,530	303	65	-------	1,577	125	-------	-------	2,440
September	8,698	500	439	4,024	3,384	1,278	6,934	438	75	-------	1,176	-------	-------	-------	-------
October	7,289	473	538	3,971	3,053	1,304	5,097	286	127	178	1,500	180	-------	-------	13
November	5,641	485	357	3,274	3,008	1,291	3,709	502	92	49	985	170	-------	-------	15
December	9,777	471	579	5,932	3,607	2,063	6,839	570	57	119	1,243	555	-------	-------	32
1943—January	11,324	836	1,303	6,498	6,002	2,447	11,009	747	143	191	1,442	962	1	-------	54
February	7,842	637	463	3,674	3,891	1,402	6,608	323	104	96	1,585	262	-------	-------	332
March	6,456	418	554	2,875	3,235	962	5,587	242	111	498	761	312	(*)	-------	18
April	21,676	1,588	668	8,095	7,139	2,047	13,019	702	118	325	922	236	-------	-------	21
May	9,533	653	709	5,263	6,144	1,367	8,996	1,117	152	303	1,356	51	-------	28	245
June	5,172	347	608	2,960	2,928	843	4,863	235	156	86	2,271	157	-------	-------	220
Total, May 1941 to June 1943	175,511	13,492	14,357	86,247	81,919	31,177	137,032	10,201	2,053	2,443	23,296	3,484	27	569	10,410

NOTE.—Figures are rounded to nearest thousand and will not necessarily add to totals

*Less than $500.

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TABLE 38.—*Sales of United States savings bonds of Series E in selected large cities, by calendar years, fiscal years, and months, July 1941 through June 1943*

[In thousands of dollars at issue price. On basis of reports of sales]

Period	Ala.	Ariz.	Ark.	Calif.						Colo.	Conn.			Del.
	Birmingham	Phoenix	Little Rock	Long Beach	Los Angeles	Oakland	Sacramento	San Diego	San Francisco	Denver	Bridgeport	Hartford	New Haven	Wilmington
Calendar year 1941	2,448	1,039	1,068	1,512	12,582	3,178	1,343	2,285	14,665	4,155	2,862	4,008	2,384	1,470
Calendar year 1942	13,758	6,012	5,419	10,525	104,283	23,519	8,566	17,546	63,782	18,650	16,782	22,776	15,413	11,689
Fiscal year 1942	7,622	3,733	3,555	6,086	57,036	13,712	5,225	9,325	44,224	12,171	9,987	14,460	9,047	5,291
Fiscal year 1943	19,622	9,078	7,498	15,304	160,231	29,412	11,041	28,674	81,018	27,316	23,158	26,493	18,991	14,853
1941—July	398	225	133	222	1,201	356	168	342	1,431	447	366	536	322	174
August	222	98	154	128	799	225	120	241	4,482	461	262	555	245	183
September	320	107	172	104	810	191	95	252	801	485	259	420	231	101
October	327	96	146	175	1,810	409	152	262	1,288	630	344	539	359	161
November	138	102	164	185	1,793	381	127	246	1,159	513	283	479	275	172
December	1,042	410	299	698	6,168	1,615	680	942	5,503	1,619	1,347	1,480	951	679
1942—January	1,484	731	757	792	11,050	3,109	1,154	1,647	10,229	2,042	1,946	2,386	1,680	856
February	770	349	358	949	8,576	1,435	671	1,075	4,996	1,061	920	1,607	1,018	608
March	502	350	336	684	5,922	1,344	524	816	3,962	1,004	859	1,513	763	507
April	691	359	272	630	5,023	1,219	425	895	2,862	1,206	1,044	1,333	961	514
May	941	526	389	723	6,379	1,630	550	1,232	4,321	1,287	1,094	1,764	1,119	641
June	785	379	375	795	7,504	1,797	560	1,375	3,189	1,416	1,263	1,849	1,123	695
July	1,827	498	426	972	7,714	2,142	796	1,472	5,548	1,564	1,563	1,941	1,169	747
August	1,069	457	470	759	7,780	2,102	515	1,510	4,944	1,707	1,226	1,629	1,207	795
September	1,522	559	514	775	9,335	2,203	833	1,687	5,681	1,425	1,119	1,963	1,214	1,240
October	1,288	422	515	1,253	11,714	2,188	828	1,985	5,983	1,874	1,756	2,681	2,181	2,138
November	1,344	519	442	905	8,948	1,675	667	1,194	4,824	1,620	1,297	1,723	968	1,630
December	1,534	863	564	1,288	14,337	2,674	1,045	2,658	7,242	2,444	2,695	2,387	2,011	1,318
1943—January	1,906	978	749	1,549	16,851	2,766	1,038	3,126	7,780	2,899	2,103	2,691	2,007	1,114
February	1,506	677	643	1,155	14,756	2,231	793	3,149	6,158	2,386	1,557	1,539	1,095	913
March	1,700	732	560	1,239	14,692	2,297	943	2,614	7,006	2,217	2,297	2,433	1,502	1,031
April	2,355	1,148	1,046	1,565	18,708	3,302	1,236	3,081	8,975	3,450	1,992	2,984	1,876	1,249
May	2,111	1,431	955	1,915	21,111	3,079	1,447	3,496	9,281	3,612	2,402	2,552	2,195	1,477
June	1,461	795	613	1,930	14,284	2,752	900	2,704	7,594	2,118	3,151	1,969	1,565	1,201
Total, July 1941 to June 1943	27,243	12,811	11,053	21,390	217,267	43,124	16,267	38,000	125,242	39,487	33,145	40,952	28,038	20,144

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Period	Dist. of Col.	Fla.			Ga.	Idaho	Ill.		Ind.				Iowa
	Washington	Jacksonville	Miami	Tampa	Atlanta	Boise City	Chicago	Peoria	Fort Wayne	Gary	Indianapolis	South Bend	Des Moines
Calendar year 1941	10,718	1,504	1,544	722	3,696	641	50,366	1,083	1,029	801	4,077	1,069	1,814
Calendar year 1942	56,756	8,642	10,441	5,902	16,907	2,147	243,860	7,698	8,268	5,770	25,478	9,459	10,380
Fiscal year 1942	34,827	5,338	6,997	3,104	10,919	1,573	162,654	4,039	3,999	2,951	14,217	4,249	5,966
Fiscal year 1943	83,143	11,587	13,616	9,005	24,701	3,023	299,378	10,982	13,054	8,762	36,437	13,619	13,925
1941—July	1,354	223	247	69	530	44	7,471	139	82	130	549	130	229
August	1,175	161	144	40	771	38	7,438	130	107	115	445	101	229
September	1,076	128	120	84	483	40	6,080	116	75	90	515	104	184
October	1,561	190	193	112	460	83	6,291	105	107	108	472	121	198
November	1,439	124	139	84	322	45	5,420	119	141	111	491	127	224
December	4,113	678	700	332	1,130	392	17,667	474	518	246	1,604	486	749
1942—January	5,531	966	1,282	550	2,205	238	32,040	668	635	617	2,269	689	1,023
February	3,608	571	957	296	920	126	15,773	441	336	275	1,479	480	460
March	3,330	497	871	337	880	118	14,499	356	426	280	1,412	434	641
April	3,446	544	800	335	886	140	13,842	419	476	247	1,327	442	573
May	3,771	655	876	444	1,096	173	19,114	513	483	355	1,700	495	663
June	4,423	600	666	420	1,236	137	17,020	559	613	377	1,952	639	793
July	4,434	711	867	497	1,562	155	21,007	715	672	493	2,217	760	895
August	4,760	849	675	552	1,365	160	17,542	730	623	478	2,160	831	977
September	4,728	947	889	589	1,755	184	18,406	751	798	562	2,401	1,489	1,268
October	5,359	771	729	613	1,432	144	25,443	834	977	565	2,719	1,127	1,066
November	5,596	633	796	498	1,602	272	21,368	785	1,019	711	2,760	968	856
December	7,771	897	1,031	771	1,967	300	27,806	929	1,210	810	3,080	1,106	1,166
1943—January	8,099	1,130	1,463	731	2,558	277	28,786	970	1,234	1,119	4,101	1,484	1,293
February	6,667	872	1,047	754	2,376	289	23,248	803	1,280	603	2,970	1,063	1,121
March	7,252	955	1,259	761	2,351	275	29,380	1,040	1,175	897	3,595	1,084	936
April	9,293	1,347	1,858	1,261	3,211	389	31,091	1,393	1,637	960	3,682	1,321	1,850
May	10,870	1,400	1,863	1,071	2,543	351	31,229	1,249	1,189	1,127	3,767	1,334	1,328
June	8,314	1,076	1,138	907	1,978	227	24,073	784	1,241	437	2,985	1,052	1,169
Total, July 1941 to June 1943	117,970	16,925	20,613	12,109	35,620	4,596	462,032	15,021	17,052	11,713	50,655	17,867	19,891

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TABLE 38.—*Sales of United States savings bonds of Series E in selected large cities, by calendar years, fiscal years, and months, July 1941 through June 1943*—Continued

[In thousands of dollars at issue price]

Period	Kans.		Ky.	La.	Maine	Md.	Mass.							
	Kansas City	Wichita	Louisville	New Orleans	Portland	Baltimore	Boston	Cambridge	Fall River	Lowell	New Bedford	Springfield	Somerville	Worcester
Calendar year 1941	884	1,264	3,363	4,621	1,185	10,576	15,674	783	855	740	926	1,484	151	2,019
Calendar year 1942	5,375	11,942	17,348	26,321	5,965	53,162	63,697	4,646	5,580	4,360	5,351	12,608	1,076	15,059
Fiscal year 1942	2,926	4,984	10,280	15,645	3,597	34,277	46,262	2,975	3,527	2,787	3,531	6,262	645	8,552
Fiscal year 1943	9,340	17,969	26,309	35,968	7,934	69,427	77,019	6,547	6,235	5,164	6,172	16,833	1,402	18,718
1941—July	136	150	504	883	120	1,208	3,093	101	113	118	134	229	35	302
August	93	148	402	585	168	1,140	2,335	117	102	104	82	219	20	231
September	125	161	377	447	152	931	1,325	98	78	83	73	172	16	272
October	91	166	421	442	163	1,240	1,729	99	89	77	98	223	17	300
November	98	144	388	342	164	1,140	1,627	106	108	113	116	183	14	222
December	342	495	1,271	1,922	418	4,917	5,565	263	364	244	422	459	49	692
1942—January	525	730	1,922	2,819	535	6,619	8,445	657	775	570	715	1,115	139	1,718
February	275	483	823	1,494	367	3,916	4,601	414	393	314	452	933	88	1,211
March	287	487	873	1,427	305	2,811	3,742	274	314	263	290	579	62	805
April	278	451	877	1,329	354	2,896	4,131	246	349	272	313	599	58	832
May	335	660	1,150	1,946	422	3,527	5,088	262	426	334	393	757	65	950
June	342	908	1,273	2,008	431	3,932	4,581	339	415	293	442	794	82	1,018
July	449	820	1,602	2,583	513	4,588	4,640	271	451	306	393	802	90	1,302
August	381	1,263	1,686	2,142	506	4,322	5,806	299	440	325	343	906	82	1,041
September	421	688	1,504	2,450	515	4,587	4,564	380	431	338	348	1,106	85	1,185
October	593	1,357	1,828	2,986	686	4,985	4,660	604	564	544	559	1,364	112	1,817
November	599	2,587	1,587	2,141	562	4,871	5,290	360	493	353	343	938	86	942
December	890	1,506	2,225	2,995	771	6,108	8,148	539	528	446	760	2,714	126	2,239
1943—January	976	1,090	2,187	3,332	763	6,515	9,335	773	612	648	540	1,403	145	1,669
February	751	1,272	2,307	2,688	479	5,601	5,624	404	256	352	336	1,067	70	1,453
March	728	2,113	2,532	2,308	610	6,102	6,086	591	646	559	558	1,483	73	1,685
April	1,178	2,387	3,489	4,917	1,009	7,894	8,246	777	710	469	769	1,679	144	1,949
May	1,171	1,346	2,879	4,425	856	7,553	8,254	849	591	346	632	1,943	198	1,960
June	1,203	1,539	2,483	3,001	664	6,303	6,366	699	512	478	590	1,428	189	1,478
Total, July 1941 to June 1943	12,266	22,954	36,589	51,613	11,531	103,705	123,282	9,522	9,762	7,951	9,703	23,095	2,046	27,270

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Period	Mich.			Minn.			Miss.	Mo.		Mont.	Nebr.	Nev.	N. H.
	Detroit	Flint	Grand Rapids	Duluth	Minneapolis	St. Paul	Jackson	Kansas City	St. Louis	Butte	Omaha	Reno	Manchester
Calendar year 1941	21,171	1,827	1,346	986	5,737	3,522	652	5,722	14,350	908	2,338	470	470
Calendar year 1942	153,178	11,460	8,044	5,782	34,229	20,043	3,887	23,345	56,396	4,291	12,687	2,205	3,418
Fiscal year 1942	81,236	5,875	4,946	3,288	20,335	12,600	2,494	15,335	41,904	3,104	8,037	1,504	1,997
Fiscal year 1943	246,820	20,399	11,785	8,536	48,467	25,246	4,484	34,796	72,964	4,294	18,037	2,631	3,995
1941—July	2,809	208	165	155	693	489	96	822	2,022	85	331	83	69
August	2,245	218	143	126	963	470	75	1,034	2,085	70	296	41	53
September	2,403	214	116	137	518	402	74	676	1,312	63	302	26	35
October	3,321	262	181	152	878	628	61	716	1,710	141	300	49	65
November	2,475	249	192	119	799	590	80	581	1,416	134	313	42	66
December	7,918	676	548	296	1,886	943	265	1,893	5,806	415	796	229	182
1942—January	13,504	1,027	743	642	4,148	1,642	421	2,854	7,176	500	1,485	324	412
February	8,437	541	616	255	1,786	1,309	321	1,300	3,971	344	744	155	249
March	8,208	569	466	287	1,599	1,292	249	1,165	3,581	310	766	157	235
April	7,828	914	584	323	2,143	1,454	289	1,192	3,306	330	830	106	175
May	10,015	622	582	369	2,402	1,661	348	1,589	4,535	370	928	166	212
June	12,074	375	609	425	2,521	1,720	213	1,511	4,984	341	945	127	245
July	13,554	497	612	535	2,851	1,976	339	1,915	4,568	471	1,180	227	301
August	9,173	873	603	505	2,676	1,627	296	1,999	4,061	355	1,074	153	233
September	16,331	1,891	664	594	3,166	1,787	284	1,924	4,873	391	858	176	256
October	17,363	1,016	710	593	3,348	1,761	358	1,346	4,607	201	1,273	168	411
November	16,870	1,772	857	553	3,030	1,654	393	2,617	4,935	283	1,177	221	268
December	19,820	1,363	997	701	4,559	2,161	375	3,930	5,798	395	1,427	225	422
1943—January	22,955	1,516	1,272	758	4,894	2,206	487	3,608	7,472	395	1,721	315	446
February	17,749	2,070	928	633	3,557	1,963	388	2,877	5,415	308	1,382	174	268
March	26,896	2,318	1,259	657	3,942	1,524	313	3,147	5,924	343	1,641	216	324
April	35,219	2,559	1,476	1,156	6,338	3,507	616	4,437	9,817	501	2,137	250	423
May	29,727	2,521	1,521	1,126	6,206	2,934	297	3,947	8,902	362	2,257	352	390
June	21,162	2,002	885	726	3,897	2,147	338	3,048	6,592	290	1,910	154	254
Total, July 1941 to June 1943	328,056	26,275	16,731	11,823	68,801	37,846	6,978	50,131	114,868	7,398	26,074	4,135	5,992

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TABLE 38.—*Sales of United States savings bonds of Series E in selected large cities, by calendar years, fiscal years, and months, July 1941 through June 1943*—Continued

[In thousands of dollars at issue price]

Period	N. J.						N. Mex.	N. Y.						
	Camden	Elizabeth	Jersey City	Newark	Paterson	Trenton	Albuquerque	Albany	Buffalo	New York	Rochester	Syracuse	Utica	Yonkers
Calendar year 1941	1,937	1,795	3,999	7,895	2,202	1,819	566	1,993	5,712	127,307	4,860	2,203	1,341	1,529
Calendar year 1942	10,392	9,012	19,604	37,260	9,898	9,315	2,271	11,146	41,356	550,300	24,403	12,380	7,464	6,467
Fiscal year 1942	6,513	6,058	14,030	25,180	6,548	6,173	1,604	7,114	21,719	408,768	14,938	7,462	4,415	4,889
Fiscal year 1943	12,970	10,874	21,317	46,808	13,374	12,541	3,125	13,666	57,075	602,343	34,140	17,010	9,532	6,799
1941—July	195	205	621	866	207	210	52	422	1,053	22,529	719	427	198	262
August	216	164	429	904	218	191	57	258	299	15,569	607	264	177	182
September	209	165	417	887	266	123	78	217	501	14,129	582	207	148	123
October	232	207	453	1,071	244	251	71	237	721	15,404	526	232	152	187
November	237	212	409	1,019	275	234	61	194	730	12,180	552	244	165	153
December	848	840	1,670	3,148	992	810	247	666	2,410	47,496	1,874	829	501	621
1942—January	1,457	1,205	3,292	4,603	1,351	1,484	293	1,738	4,799	93,927	2,778	1,678	783	1,134
February	612	600	1,425	3,194	638	566	106	733	2,513	43,781	1,513	689	532	495
March	635	614	1,293	2,293	489	500	115	562	1,944	31,652	1,249	635	361	362
April	508	597	1,189	1,991	607	473	169	658	1,985	36,106	1,312	691	418	436
May	564	603	1,310	2,756	629	613	184	670	2,355	38,943	1,338	708	448	473
June	800	644	1,522	2,449	633	717	172	761	2,410	37,052	1,888	858	532	459
July	689	737	1,528	2,593	639	645	195	963	3,563	48,043	2,002	1,156	839	651
August	549	564	1,226	2,443	623	697	180	876	2,970	30,991	1,793	1,019	643	459
September	1,094	944	1,411	3,673	1,129	771	176	940	4,034	45,011	2,192	1,105	790	488
October	1,308	763	1,734	3,855	1,047	959	246	1,069	3,986	48,438	2,539	1,154	678	514
November	986	672	1,283	3,117	833	822	138	1,002	4,624	41,792	2,670	1,156	686	466
December	1,190	1,068	2,392	4,293	1,282	1,067	299	1,173	6,173	54,564	3,133	1,530	754	530
1943—January	952	1,052	2,131	4,444	1,521	1,281	320	1,330	4,871	66,233	3,335	1,577	859	663
February	1,342	909	1,393	3,450	955	952	222	1,147	4,363	44,030	2,987	1,241	649	476
March	1,150	961	1,900	4,583	1,230	1,066	257	1,251	5,052	50,027	2,993	1,455	888	461
April	1,159	980	2,355	4,597	1,352	1,401	425	1,426	5,922	63,040	3,420	1,984	870	808
May	1,304	1,423	2,562	5,972	1,510	1,679	409	1,427	7,379	66,385	4,372	2,140	1,164	868
June	1,247	801	1,404	3,787	1,253	1,201	259	1,062	4,139	43,789	2,706	1,492	713	416
Total, July 1941 to June 1943	19,483	16,932	35,347	71,988	19,923	18,714	4,729	20,780	78,794	1,011,111	49,078	24,472	13,947	11,688

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Period	N. C.	N. Dak.	Ohio									Okla.	
	Charlotte	Fargo	Akron	Canton	Cincinnati	Cleveland	Columbus	Dayton	Springfield	Toledo	Youngstown	Oklahoma City	Tulsa
Calendar year 1941	1,249	315	2,103	1,377	6,738	16,215	2,399	2,480	349	2,725	1,500	1,868	1,750
Calendar year 1942	5,928	1,972	17,460	8,069	35,719	78,082	15,603	18,934	3,111	15,914	10,990	8,538	9,362
Fiscal year 1942	3,785	1,139	7,830	4,528	22,566	51,306	8,255	8,927	1,492	8,943	5,829	5,658	6,056
Fiscal year 1943	7,684	2,532	32,333	11,912	47,201	115,149	24,544	31,659	4,882	24,593	15,854	12,357	11,744
1941—July	153	39	351	252	973	2,352	310	334	65	301	263	251	227
August	116	37	223	153	720	2,866	258	264	25	301	142	175	165
September	136	19	209	178	687	1,527	214	250	26	330	154	154	252
October	168	46	288	174	899	2,235	261	295	38	311	127	186	258
November	131	45	273	186	831	1,579	283	289	37	402	198	238	172
December	545	129	759	433	2,628	5,655	1,073	1,047	157	1,080	615	864	675
1942—January	602	235	1,289	950	5,082	10,735	1,885	1,573	350	1,656	1,075	1,107	1,285
February	363	120	698	373	1,969	4,874	766	747	107	797	546	503	638
March	326	110	780	402	1,940	4,459	740	751	150	824	642	460	543
April	262	103	841	435	2,161	3,973	721	880	129	749	585	482	484
May	520	138	1,033	516	2,335	6,454	913	1,170	182	1,044	746	633	618
June	465	118	1,086	475	2,340	4,597	830	1,327	226	1,147	735	604	739
July	430	198	1,474	778	3,950	7,419	1,255	1,561	317	1,449	910	689	883
August	415	139	1,543	650	2,754	6,345	1,347	1,735	320	1,489	809	668	1,187
September	545	228	1,577	739	3,649	6,142	1,515	2,110	288	1,659	1,036	481	827
October	558	161	1,716	758	2,778	4,093	1,632	1,978	314	1,579	1,048	999	705
November	596	198	2,300	795	2,527	7,333	1,682	2,029	299	1,405	1,308	777	559
December	848	224	3,124	1,198	4,233	11,658	2,316	3,073	431	2,115	1,551	1,134	893
1943—January	917	285	3,661	1,077	4,972	12,936	2,621	3,461	404	2,322	1,890	1,561	1,477
February	525	218	2,942	1,025	3,403	9,308	1,987	2,486	429	2,085	1,164	1,016	851
March	639	175	2,989	1,044	3,669	9,395	2,271	2,659	426	2,146	1,341	969	1,033
April	768	285	3,414	1,481	5,675	13,876	2,980	4,564	629	3,298	1,814	1,449	1,191
May	824	264	4,083	1,308	5,967	17,508	2,869	3,600	561	2,718	1,596	1,637	1,259
June	620	159	3,511	1,058	3,624	9,136	2,068	2,401	463	2,328	1,387	977	878
Total, July 1941 to June 1943	11,469	3,671	40,163	16,440	69,768	166,456	32,799	40,586	6,374	33,536	21,683	18,015	17,800

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TABLE 38.—*Sales of United States savings bonds of Series E in selected large cities, by calendar years, fiscal years, and months, July 1941 through June 1943*—Continued

[In thousands of dollars at issue price]

Period	Oreg.	Pa.						R. I.	S. C.	S. Dak.	Tenn.			
	Portland	Erie	Harrisburg	Philadelphia	Pittsburgh	Reading	Scranton	Providence	Charleston	Sioux Falls	Chattanooga	Knoxville	Memphis	Nashville
Calendar year 1941	4,913	1,036	958	26,959	10,602	1,070	1,342	4,186	616	568	811	761	2,496	1,606
Calendar year 1942	32,697	7,687	6,145	119,329	50,943	6,161	6,703	22,634	3,964	3,482	6,987	5,935	12,546	9,266
Fiscal year 1942	16,934	3,251	3,937	84,345	31,310	3,611	4,555	15,464	2,316	2,365	3,278	2,860	7,832	5,317
Fiscal year 1943	56,639	12,370	7,476	143,839	79,370	8,379	7,291	30,076	4,901	3,649	9,466	7,820	17,084	12,489
1941—July	822	120	117	2,424	1,100	131	218	595	82	52	160	132	501	187
August	692	146	117	6,586	944	131	185	521	51	44	133	70	323	125
September	616	108	88	2,004	867	102	159	422	66	33	112	74	267	191
October	671	119	111	2,332	1,086	111	166	502	60	91	142	122	349	189
November	620	153	95	2,591	1,061	143	170	502	63	71	90	80	276	166
December	1,491	390	430	11,022	5,544	451	445	1,644	295	278	174	283	778	749
1942—January	3,065	677	914	17,218	5,714	708	1,190	2,879	328	412	643	614	1,575	987
February	2,033	327	452	7,584	2,952	325	413	2,206	173	236	187	281	809	438
March	1,508	356	397	7,373	2,660	290	382	1,516	231	250	330	239	719	565
April	1,483	473	381	8,050	3,018	419	445	1,452	336	264	331	233	646	447
May	1,895	19	427	8,201	3,183	361	402	1,668	255	315	446	361	825	621
June	2,037	362	409	8,961	3,180	438	380	1,558	377	320	530	370	762	654
July	3,056	378	503	9,331	4,001	459	510	1,848	301	403	707	592	1,407	886
August	2,662	644	370	8,686	3,534	504	501	1,906	418	332	726	522	1,063	715
September	3,729	1,106	517	10,790	3,621	571	803	932	335	231	851	1,014	1,134	1,047
October	3,394	814	581	10,631	3,267	683	608	2,713	414	221	706	520	1,158	1,003
November	2,982	1,001	522	9,623	6,161	684	495	1,703	313	234	738	549	1,024	780
December	4,853	1,531	673	12,882	9,650	718	574	2,254	482	264	792	640	1,424	1,125
1943—January	5,500	926	768	12,895	9,157	838	641	3,165	389	309	915	750	1,981	1,170
February	4,062	1,212	616	10,862	6,380	655	607	1,956	404	245	603	500	1,408	951
March	5,380	1,055	684	11,521	6,523	660	537	3,570	329	283	790	584	1,376	1,030
April	6,394	1,322	701	17,054	9,861	754	732	3,249	574	513	858	742	2,405	1,435
May	8,209	1,271	868	17,060	9,199	1,155	733	4,266	580	347	1,084	771	1,217	1,187
June	6,418	1,111	674	12,504	8,016	697	552	2,515	360	266	696	636	1,488	1,162
Total, July 1941 to June 1943	73,573	15,621	11,413	228,184	110,680	11,990	11,846	45,540	7,216	6,014	12,745	10,680	24,916	17,806

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Period	Tex.				Utah	Vt.	Va.		Wash.			W. Va.	Wis.	Wyo.
	Dallas	Fort Worth	Houston	San Antonio	Salt Lake City	Burlington	Norfolk	Richmond	Seattle	Spokane	Tacoma	Huntington	Milwaukee	Cheyenne
Calendar year 1941	10,593	1,572	4,063	1,961	1,349	203	2,117	4,020	5,713	1,499	1,614	722	8,259	476
Calendar year 1942	21,035	9,570	27,502	11,526	9,125	1,325	12,562	13,788	38,976	8,692	9,685	3,276	38,225	2,111
Fiscal year 1942	19,379	5,449	15,732	7,085	5,015	831	7,260	10,259	22,025	5,344	5,639	2,140	26,437	1,355
Fiscal year 1943	31,437	15,207	39,852	12,764	14,651	1,684	16,591	17,837	54,805	11,548	14,934	4,381	47,721	3,279
1941—July	4,828	343	642	335	203	42	226	422	1,056	228	211	46	1,011	48
August	2,851	143	436	225	132	19	250	873	737	191	186	52	893	31
September	452	203	399	192	141	20	224	239	769	164	179	66	908	78
October	465	164	432	232	165	33	224	314	707	170	263	74	1,020	57
November	419	158	411	180	167	26	222	303	762	221	195	78	934	48
December	1,578	562	1,742	797	541	63	973	1,869	1,683	525	580	406	3,493	214
1942—January	2,312	1,144	3,023	1,688	1,019	159	1,177	1,899	3,542	921	821	383	4,793	290
February	1,331	544	1,436	707	519	124	699	891	3,136	520	641	235	2,348	95
March	1,288	481	1,439	604	455	95	595	642	1,742	903	506	192	2,142	109
April	1,128	489	1,594	560	490	64	646	895	1,948	357	511	183	2,321	98
May	1,500	551	2,126	781	634	108	924	1,050	3,106	604	817	198	3,298	138
June	1,226	668	2,051	784	548	77	1,102	863	2,838	541	728	228	3,276	149
July	1,885	890	1,965	939	748	154	1,157	1,047	3,378	674	892	208	3,196	155
August	1,706	664	2,337	806	759	83	1,173	1,068	3,395	710	735	225	3,152	205
September	2,232	878	2,721	1,151	841	77	1,224	1,382	3,184	682	696	236	2,422	199
October	2,046	1,068	2,192	1,084	1,052	195	1,228	1,178	3,955	859	843	386	3,772	246
November	1,623	914	2,908	1,047	925	76	1,214	1,122	3,629	907	863	314	3,120	161
December	2,758	1,280	3,710	1,376	1,134	112	1,423	1,749	5,122	1,016	1,630	489	4,383	266
1943—January	2,963	1,410	3,642	1,540	1,585	148	1,805	1,895	5,073	1,274	1,559	494	4,508	359
February	2,219	1,004	2,995	402	1,255	127	1,290	1,296	4,129	831	973	310	3,650	307
March	3,286	1,429	3,589	1,241	1,291	156	1,237	1,442	4,989	881	1,902	345	3,730	283
April	4,023	2,114	5,069	1,080	1,895	186	1,639	2,366	5,742	1,388	1,582	624	6,050	375
May	4,042	2,089	4,580	985	1,980	232	1,713	2,067	7,688	1,347	2,009	415	5,411	473
June	2,655	1,468	4,143	1,115	1,187	138	1,489	1,224	4,519	981	1,249	335	4,326	249
Total, July 1941 to June 1943	50,816	20,656	55,583	19,850	19,666	2,515	23,851	28,097	76,830	16,893	20,573	6,521	74,158	4,634

NOTE.—Figures are rounded to nearest thousand and will not necessarily add to totals.

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TABLE 39.—*Extent of participation in payroll savings plan for purchase of United States savings bonds each month from December 1941 through June 1943*

[Estimated on basis of reports from companies and governmental units]

End of month	Number of firms with plans (excluding governmental units)	Number of persons participating [1]	Aggregate amount deducted [1]	Percent of participants' pay deducted [1]
		In millions	*In millions*	
1941—December	9,939	0.7	$5	4.1
1942—January	17,513	3.8	28	4.5
February	34,480	7.6	58	4.8
March	50,120	9.6	78	4.9
April	71,686	11.6	96	4.9
May	90,418	13.9	126	5.3
June	108,099	16.0	153	5.8
July	121,893	17.8	205	6.5
August	136,892	19.4	230	7.1
September	144,561	21.0	265	7.5
October	153,105	22.6	307	7.8
November	158,609	23.7	335	8.3
December	167,813	24.5	355	8.5
1943—January	172,678	24.9	375	8.7
February	176,527	25.5	360	8.7
March	178,922	26.2	380	8.7
April	180,291	26.8	415	9.0
May	182,144	26.8	425	9.1
June	182,895	26.8	415	9.0

[1] Includes employees of Federal, State, and local governments and members of the armed forces.

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United States war savings stamps

TABLE 40.—*Summary of sales and redemptions of United States war savings stamps,* [1] *by fiscal years and months, May 1941 through June 1943*

[In thousands of dollars. On basis of daily Treasury statements and reports of Post Office Department]

Period	Amount outstanding end of fiscal year or month [2]	Net change during fiscal year or month [2]	Analysis of net change			
			Sales			Redemptions [2]
			Total funds received	Adjustment of sales reported to funds received	Sales reported	
By fiscal years:						
1941	5,294	+5,143			6,087	943
1942	166,341	+161,048			308,621	147,574
1943	213,350	[3] [4] +45,620	[4] 590,268	+15,907	574,361	544,647
By months:						
1941—May	3,235	+3,085			3,349	264
June	5,294	+2,059			2,738	679
July	7,655	+2,362			3,520	1,158
August	10,466	+2,810			4,372	1,562
September	13,627	+3,162			5,192	2,030
October	17,001	+3,374			5,985	2,611
November	20,428	+3,426			6,354	2,928
December	39,434	+19,006			25,657	6,651
1942—January	68,595	+29,161			41,169	12,007
February	93,932	+25,337			38,649	13,313
March	115,857	+21,925			40,599	18,674
April	133,620	+17,762			40,173	22,410
May	152,217	+18,597			47,990	29,393
June	166,341	+14,124			48,960	34,836
July	180,972	+14,631			53,815	39,185
August	187,618	+6,647			44,546	37,900
September	194,010	+6,392			47,682	41,290
October	206,044	+12,034			53,141	41,107
November	215,805	[3] [5] +9,121	[5] 39,077	−7,224	46,300	29,955
December	221,340	+5,536	43,920	−11,768	55,688	38,384
1943—January	224,901	+3,561	66,267	+14,940	51,328	62,706
February	224,356	[5] −1,106	[5] 54,667	+8,528	46,139	55,773
March	226,216	[5] +1,671	[5] 49,630	+405	49,225	47,958
April	227,989	[5] +1,774	[5] 44,791	−6,622	51,414	43,018
May	224,771	−3,218	40,048	−2,586	42,634	43,267
June	213,350	−11,421	52,683	+20,235	32,448	64,104

NOTE.—Figures are rounded to nearest thousand and will not necessarily add to totals.

[1] Sales and redemptions of stamps as shown in this table commenced May 1, 1941, when the special defense series of postal savings stamps went on sale; the amount of old series outstanding on Apr. 30, 1941, was $150,000. Both series were obligations of the Postal Savings System. Beginning Oct. 1, 1942, the special series of Postal Savings stamps was replaced by a Treasury issue of United States savings stamps, and all outstanding stamps became public debt obligations.

[2] Figures for November 1942 and the following months are not strictly comparable with those of earlier months due to the change to a daily Treasury statement basis.

[3] Net of funds received less redemptions. See footnote 2.

[5] Includes reported sales for July through October 1942.

[6] Excludes amounts transferred from the Postal Savings System to the Treasury to cover outstanding stamps.

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TABLE 41.—*Sales of United States war savings stamps,*[1] *by denominations and by fiscal years and months, May 1941 through June 1943*

[On basis of reports of Post Office Department]

Period	Sales in thousands of dollars						Percentage distribution of sales					
	Total all denominations	Denomination					Total all denominations	Denomination				
		10¢	25¢	50¢	$1.00	$5.00		10¢	25¢	50¢	$1.00	$5.00
By fiscal years:												
1941	6,087	400	2,691	1,012	1,130	854	100.0	6.6	44.2	16.6	18.6	14.0
1942	308,621	67,466	167,709	28,614	31,583	13,250	100.0	21.9	54.3	9.3	10.2	4.3
1943	574,361	122,841	305,243	51,079	69,738	25,460	100.0	21.4	53.2	8.9	12.1	4.4
By months:												
1941—May	3,349	244	1,293	585	673	555	100.0	7.3	38.6	17.4	20.1	16.6
June	2,738	156	1,399	427	457	299	100.0	5.7	51.1	15.6	16.7	10.9
July	3,520	174	1,965	555	571	255	100.0	4.9	55.8	15.8	16.2	7.3
August	4,372	262	2,486	599	751	274	100.0	6.0	56.9	13.7	17.2	6.2
September	5,192	412	3,087	659	687	347	100.0	7.9	59.5	12.7	13.2	6.7
October	5,985	466	3,632	758	787	342	100.0	7.8	60.7	12.7	13.1	5.7
November	6,354	580	3,749	788	847	391	100.0	9.1	59.0	12.4	13.3	6.2
December	25,657	5,353	13,255	2,491	2,636	1,922	100.0	20.8	51.7	9.7	10.3	7.5
1942—January	41,169	11,044	21,498	3,579	3,653	1,395	100.0	26.8	52.2	8.7	8.9	3.4
February	38,649	10,020	20,724	3,258	3,333	1,314	100.0	25.9	53.6	8.5	8.6	3.4
March	40,599	10,181	21,693	3,424	3,845	1,456	100.0	25.1	53.4	8.4	9.5	3.6
April	40,173	9,812	21,529	3,458	3,827	1,548	100.0	24.4	53.6	8.6	9.5	3.9
May	47,990	10,037	26,772	4,330	4,941	1,910	100.0	20.9	55.8	9.0	10.3	4.0
June	48,960	9,124	27,319	4,715	5,706	2,097	100.0	18.6	55.8	9.6	11.7	4.3
July	53,815	10,106	29,693	5,203	6,326	2,487	100.0	18.8	55.2	9.7	11.7	4.6
August	44,546	7,326	24,808	4,348	5,950	2,114	100.0	16.4	55.7	9.8	13.4	4.7
September	47,682	8,366	26,189	4,935	6,064	2,128	100.0	17.5	54.9	10.4	12.7	4.5
October	53,141	10,680	28,563	5,150	6,498	2,250	100.0	20.1	53.8	9.7	12.2	4.2
November	46,300	9,518	24,587	4,259	5,852	2,084	100.0	20.6	53.1	9.2	12.6	4.5
December	55,688	11,719	29,142	4,596	7,100	3,130	100.0	21.0	52.3	8.3	12.8	5.6
1943—January	51,328	12,387	26,497	4,022	6,040	2,381	100.0	24.1	51.6	7.8	11.8	4.7
February	46,139	10,778	24,066	3,854	5,406	2,035	100.0	23.4	52.2	8.3	11.7	4.4
March	49,225	12,190	25,368	3,968	5,606	2,093	100.0	24.8	51.5	8.1	11.4	4.2
April	51,414	12,952	26,588	4,125	5,837	1,911	100.0	25.2	51.7	8.0	11.4	3.7
May	42,634	10,330	22,338	3,575	4,869	1,522	100.0	24.2	52.4	8.4	11.4	3.6
June	32,448	6,486	17,404	3,044	4,190	1,325	100.0	20.0	53.6	9.4	12.9	4.1

NOTE.—Dollar-figures are rounded to nearest thousand and will not necessarily add to totals.

[1] See footnote 1, p. 631.

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TABLE 42.—*Redemptions of United States war savings stamps,*[1] *by means of payment, and by fiscal years and months, May 1941 through June 1943*

[On basis of daily Treasury statements and reports of Post Office Department]

Period	Redemptions in thousands of dollars				Percentage distribution of redemptions			
	Total	Means of payment			Total	Means of payment		
		Exchanged for United States savings bonds	Exchanged for Postal Savings certificates	Cash		Exchanged for United States savings bonds	Exchanged for Postal Savings certificates	Cash
By fiscal years:								
1941	943	(2)	(2)	(2)	100.0	(2)	(2)	(2)
1942 (July 1941	1,158	(2)	(2)	(2)	100.0	(2)	(2)	(2)
1942 (August 1941–June 1942	146,415	127,948	123	18,344	100.0	87.4	0.1	12.5
1943	544,647	474,168		70,480	100.0	87.1		12.9
By months:								
1941—May	264	(2)	(2)	(2)	100.0	(2)	(2)	(2)
June	679	(2)	(2)	(2)	100.0	(2)	(2)	(2)
1941—July	1,158	(2)	(2)	(2)	100.0	(2)	(2)	(2)
August	1,562	1,151	14	397	100.0	73.7	.9	25.4
September	2,030	1,539	10	481	100.0	75.8	.5	23.7
October	2,611	2,027	11	574	100.0	77.6	.4	22.0
November	2,928	2,274	9	645	100.0	77.7	.3	22.0
December	6,651	5,225	8	1,417	100.0	78.6	.1	21.3
1942—January	12,007	9,683	8	2,316	100.0	80.6	.1	19.3
February	13,313	11,253	12	2,048	100.0	84.5	.1	15.4
March	18,674	16,543	9	2,122	100.0	88.6	(*)	11.4
April	22,410	19,959	19	2,432	100.0	89.1	.1	10.8
May	29,393	26,616	16	2,761	100.0	90.6	(*)	9.4
June	34,836	31,678	8	3,150	100.0	90.9	(*)	9.1
July	39,185	35,253	26	3,906	100.0	90.0	(*)	10.0
August	37,900	34,101	15	3,784	100.0	90.0	(*)	10.0
September	41,290	36,561	14	4,715	100.0	88.6	(*)	11.4
October	41,107	36,188		4,919	100.0	88.0		12.0
November	29,955	26,220		3,736	100.0	87.5		12.5
December	38,384	32,988		5,396	100.0	85.9		14.1
1943—January	62,706	54,448		8,258	100.0	86.8		13.2
February	55,773	48,339		7,434	100.0	86.7		13.3
March	47,958	40,650		7,309	100.0	84.8		15.2
April	43,018	37,501		5,517	100.0	87.2		12.8
May	43,267	37,530		5,737	100.0	86.7		13.3
June	64,104	54,391		9,714	100.0	84.8		15.2

NOTE.—Dollar figures are rounded to nearest thousand and will not necessarily add to totals.

*Less than 0.05 percent.

[1] See footnote 1, p. 631.

[2] Not available.

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TABLE 43.—*Sales of United States war savings stamps,*[1] *by States and by calendar years, fiscal years, and months, May 1941 through June 1943*

[In thousands of dollars. On basis of reports of Post Office Department]

Period	Total	Alabama	Arizona	Arkansas	California	Colorado	Connecticut	Delaware	District of Columbia	Florida	Georgia	Idaho	Illinois	Indiana
By calendar years:														
1941	57,167.8	399.0	148.4	249.2	3,960.7	409.8	1,525.7	136.2	2,122.5	712.2	620.3	163.4	4,101.6	1,069.1
1942	558,713.2	4,187.4	1,592.4	3,028.1	37,337.7	3,730.3	14,376.8	1,280.1	7,143.0	6,083.4	5,572.5	1,415.5	41,322.9	14,028.5
By fiscal years:														
1941	6,086.9	38.7	16.0	24.8	428.0	30.3	140.6	14.5	174.2	75.0	60.3	8.1	355.1	69.7
1942	308,621.3	2,343.7	834.8	1,674.7	20,132.6	2,020.3	7,707.4	714.2	6,100.1	3,705.9	3,175.5	841.0	23,612.9	7,516.9
1943	574,361.0	4,215.1	1,765.8	2,970.7	39,726.1	4,083.1	14,375.6	1,298.6	5,591.7	6,188.3	5,621.2	1,405.5	39,970.3	14,176.4
By months:														
1941—May	3,349.3	21.6	8.9	14.1	252.9	17.0	65.4	8.0	90.4	44.7	33.1	4.3	177.7	35.6
June	2,737.6	17.1	7.1	10.7	175.1	13.3	75.1	6.4	83.7	30.2	27.3	3.8	177.4	34.2
July	3,520.1	25.0	9.0	13.7	237.4	20.2	111.5	9.2	155.0	47.8	40.5	4.9	222.4	49.5
August	4,372.3	27.7	11.2	17.2	327.3	29.9	133.6	10.5	237.5	59.6	52.1	8.0	340.5	69.5
September	5,191.6	30.8	13.2	14.1	334.4	31.9	155.5	12.5	296.9	68.0	60.1	23.7	319.7	82.4
October	5,985.4	36.4	13.2	27.8	374.4	41.7	188.8	13.4	320.1	78.1	68.1	18.2	375.7	99.0
November	6,354.3	42.7	15.4	36.0	380.9	50.9	196.6	12.7	358.5	85.7	64.1	21.3	412.3	112.1
December	25,657.1	197.8	70.4	115.6	1,878.3	204.9	599.1	63.3	580.4	298.1	275.1	79.2	2,075.9	586.9
1942—January	41,168.8	323.3	114.3	201.4	2,784.6	269.3	1,006.4	93.3	771.3	497.7	476.2	110.7	3,391.5	1,027.8
February	38,649.2	260.4	100.3	190.9	2,366.8	241.2	902.0	86.4	694.5	483.7	372.2	96.5	2,999.2	1,016.5
March	40,599.0	305.5	114.7	221.2	2,450.2	237.2	951.1	93.9	656.7	507.9	407.8	102.4	2,950.5	1,078.6
April	40,172.8	294.7	108.7	198.0	2,478.9	266.3	953.5	91.5	650.4	497.6	340.6	109.3	2,766.3	1,033.9
May	47,990.3	351.7	139.4	348.6	3,077.2	326.2	1,114.6	112.6	694.5	583.0	506.7	141.4	3,924.2	1,267.8
June	48,960.5	447.8	125.0	290.1	3,442.2	300.5	1,394.6	114.8	684.2	498.7	512.0	125.5	3,834.7	1,093.0
July	53,815.4	442.8	177.5	302.5	3,766.8	359.9	1,472.0	113.6	639.7	531.0	534.6	148.3	3,847.1	1,232.2
August	44,546.4	377.5	110.7	227.4	2,964.9	315.1	1,223.4	94.4	502.3	415.9	463.6	98.9	3,170.6	1,108.9
September	47,682.1	372.8	129.4	253.4	3,232.9	337.5	1,350.2	100.6	489.9	462.5	460.7	115.5	3,373.9	1,164.2
October	53,140.6	349.3	148.4	264.7	3,602.5	340.4	1,437.0	123.3	447.0	533.1	500.4	122.8	3,717.4	1,400.6
November	46,300.4	312.4	132.5	251.4	3,048.7	330.6	1,235.8	124.3	392.9	471.8	464.4	112.4	3,367.5	1,226.6
December	55,687.9	349.1	191.5	278.5	4,122.0	405.9	1,336.2	131.5	519.5	600.3	533.4	132.0	3,980.0	1,378.5
1943—January	51,327.5	366.2	174.9	266.8	3,624.3	376.7	1,255.6	119.2	498.5	586.3	503.1	131.1	3,555.0	1,262.7
February	46,139.4	352.1	157.6	243.3	2,963.3	357.8	1,089.8	98.3	442.9	531.5	479.3	138.9	3,203.7	1,150.6
March	49,225.0	382.4	158.7	250.8	3,344.8	372.9	1,090.3	101.8	453.2	582.3	494.5	125.9	3,593.9	1,222.3
April	51,413.9	394.9	190.2	271.9	3,486.4	374.6	1,083.3	132.3	489.7	613.8	458.6	127.6	3,101.1	1,213.2
May	42,634.0	296.9	115.4	193.4	3,256.6	294.9	1,013.3	85.2	421.4	494.8	422.1	87.2	2,833.4	1,038.3
June	32,448.3	218.6	79.1	166.6	2,312.7	216.5	788.8	74.2	294.8	365.0	306.6	64.9	2,226.7	778.3
Total, May 1941 to June 1943	889,069.2	6,597.5	2,616.7	4,670.2	60,286.7	6,133.6	22,223.6	2,027.3	11,866.0	9,969.3	8,857.1	2,254.5	63,938.2	21,763.1

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Period	Iowa	Kansas	Kentucky	Louisiana	Maine	Maryland	Massachusetts	Michigan	Minnesota	Mississippi	Missouri	Montana	Nebraska	Nevada
By calendar years:														
1941	585.1	424.7	538.5	542.8	321.5	998.7	2,804.9	2,865.4	661.2	320.9	1,548.1	190.6	374.3	64.5
1942	8,906.6	4,826.6	5,393.9	6,053.9	3,278.5	9,587.1	25,923.1	24,889.8	7,401.6	2,987.0	13,268.6	1,867.0	4,451.6	702.6
By fiscal years:														
1941	50.0	40.2	42.8	62.0	37.2	91.6	312.2	366.8	51.6	36.7	173.5	17.2	36.2	6.5
1942	4,575.8	2,532.9	3,036.2	3,428.0	1,725.5	5,785.2	14,413.6	13,721.6	4,037.7	1,508.8	7,326.4	1,030.7	2,371.8	381.4
1943	9,010.3	5,576.8	5,427.6	6,114.6	3,619.4	9,211.3	27,025.9	26,161.1	7,961.5	3,082.6	14,223.5	1,874.0	4,531.1	678.4
By months:														
1941—May	25.9	22.2	25.6	34.8	19.6	48.9	172.2	180.8	28.8	18.9	100.1	9.4	20.8	3.4
June	24.1	18.1	17.2	27.2	17.6	42.7	139.9	186.0	22.8	17.9	73.3	7.8	15.4	3.1
July	34.7	27.4	27.0	41.5	23.6	57.4	186.2	205.8	37.9	25.0	108.4	9.7	20.6	3.7
August	36.3	35.0	30.8	40.7	27.6	70.4	224.4	202.3	50.7	26.4	142.0	15.3	21.9	4.6
September	48.7	31.5	49.6	43.9	28.8	88.3	293.3	266.9	71.8	29.5	145.0	14.8	26.7	4.5
October	49.9	37.3	53.5	50.8	40.3	107.8	331.3	373.7	71.2	34.5	161.7	21.0	27.4	5.7
November	50.0	40.4	51.5	49.6	43.7	110.3	337.8	335.6	77.7	38.3	153.0	23.2	30.8	6.4
December	315.5	212.7	283.3	254.2	120.4	472.9	1,119.6	1,114.3	300.4	130.6	664.7	89.4	210.7	33.1
1942—January	540.4	349.7	444.9	421.8	216.7	1,110.8	1,864.4	1,733.9	545.6	213.3	906.2	156.2	292.9	56.1
February	546.3	360.2	417.3	438.7	201.9	782.4	1,710.0	1,636.5	537.9	201.1	863.7	137.6	283.5	46.8
March	712.9	330.9	425.9	438.3	232.1	728.7	1,885.3	1,766.9	545.3	205.7	936.4	148.2	315.0	45.5
April	707.6	314.1	393.7	460.4	217.6	686.5	1,883.8	1,704.0	511.8	182.0	928.8	137.5	339.4	47.7
May	782.9	407.1	425.4	582.0	284.8	748.7	2,300.6	2,125.5	609.9	192.3	1,155.5	149.7	423.8	63.3
June	750.7	386.4	433.3	606.0	288.0	821.0	2,276.9	2,256.2	677.6	230.4	1,161.2	128.2	379.1	64.1
July	1,008.5	483.0	527.4	649.6	318.1	759.9	2,424.2	2,681.1	743.8	323.1	1,280.3	181.3	459.7	69.3
August	771.7	362.2	445.4	450.2	279.8	695.5	2,062.2	1,973.6	581.4	276.7	1,062.6	135.2	375.2	60.3
September	763.5	424.7	439.0	455.2	288.4	761.9	2,312.8	2,152.4	609.2	278.5	1,213.7	148.2	398.9	60.6
October	752.2	476.6	510.8	521.4	339.8	823.6	2,605.1	2,440.5	656.5	313.9	1,248.4	159.3	396.3	56.7
November	682.8	424.4	423.6	481.6	282.7	783.4	2,129.1	2,013.3	614.8	292.3	1,183.7	182.7	351.0	55.9
December	887.2	507.4	507.2	548.7	328.7	884.7	2,468.8	2,405.9	767.8	277.9	1,328.0	203.0	436.9	76.4
1943—January	736.4	517.7	504.6	551.7	328.9	824.8	2,406.2	2,281.0	801.9	267.3	1,281.4	173.4	416.7	54.3
February	675.5	502.7	436.1	511.3	300.7	763.7	1,975.5	2,154.2	718.3	235.8	1,219.8	156.1	379.0	52.6
March	720.6	545.0	463.9	562.9	309.8	787.9	2,297.4	2,237.1	692.1	242.5	1,235.4	161.0	375.6	57.6
April	858.5	630.4	480.0	598.4	330.2	840.2	2,575.6	2,496.8	817.2	249.4	1,353.4	170.0	395.3	54.0
May	642.3	414.4	387.5	433.6	297.5	727.2	2,125.9	1,931.9	554.8	185.1	1,030.6	125.0	312.2	49.2
June	511.1	288.4	302.2	350.0	214.9	558.6	1,643.0	1,393.3	403.7	140.2	786.1	78.8	234.4	31.6
Total, May 1941 to June 1943	13,636.1	8,149.9	8,506.6	9,604.6	5,382.1	15,088.0	41,751.6	40,249.4	12,050.8	4,628.2	21,723.4	2,921.9	6,939.1	1,066.4

[1] See footnote 1, p. 631.

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TABLE 43.—*Sales of United States war savings stamps,*[1] *by States and by calendar years, fiscal years, and months, May 1941 through June 1943*—Continued

[In thousands of dollars]

Period	New Hampshire	New Jersey	New Mexico	New York	North Carolina	North Dakota	Ohio	Oklahoma	Oregon	Pennsylvania	Rhode Island	South Carolina	South Dakota	Tennessee
By calendar years:														
1941	243.1	2,491.2	144.2	10,052.8	521.9	102.3	2,771.4	501.0	514.3	4,582.8	623.7	410.1	100.1	600.9
1942	2,182.9	23,157.7	1,241.8	102,212.8	6,139.5	1,509.0	32,831.6	4,260.4	4,915.7	48,273.5	5,439.2	2,233.1	1,535.6	5,590.8
By fiscal years:														
1941	29.0	286.0	9.9	1,350.5	50.8	10.4	293.7	44.9	59.1	419.5	58.8	30.3	10.4	58.8
1942	1,150.8	13,313.7	720.3	53,060.7	3,089.7	801.2	18,269.5	2,489.1	2,739.3	27,075.3	3,087.6	1,488.2	832.2	2,952.8
1943	2,276.5	23,206.8	1,252.8	106,793.2	6,794.6	1,558.8	32,949.4	4,442.0	5,323.4	49,468.2	5,172.3	2,207.8	1,546.1	5,685.8
By months:														
1941—May	15.7	150.7	5.8	761.1	28.2	6.8	173.2	22.9	34.4	219.8	34.9	15.1	5.9	34.8
June	13.3	135.3	4.1	589.5	22.5	3.6	120.6	22.0	24.6	199.7	23.9	15.1	4.4	24.0
July	16.9	177.9	6.4	629.0	34.3	5.7	148.8	31.9	31.2	235.2	33.2	20.5	6.6	35.9
August	19.3	201.8	12.2	731.3	40.9	5.9	189.6	43.4	51.3	264.4	40.3	24.5	7.0	39.3
September	17.7	212.5	12.1	939.0	42.2	6.2	264.0	34.3	55.7	370.7	47.8	21.5	6.3	60.3
October	28.7	269.1	18.5	985.2	51.8	8.6	287.9	43.1	56.0	501.4	54.5	23.2	7.6	59.5
November	40.7	275.1	16.9	1,062.8	52.1	11.6	318.1	56.0	64.0	547.5	59.3	25.4	9.9	56.6
December	90.8	1,069.0	68.3	4,355.0	250.0	53.9	1,269.2	247.5	197.1	2,244.2	329.8	264.7	52.4	290.5
1942—January	166.7	1,837.9	95.8	6,493.5	382.8	109.3	2,495.9	318.0	368.6	3,675.2	433.9	170.0	117.7	369.6
February	142.3	1,807.7	82.8	6,585.4	375.3	104.9	2,415.3	277.8	399.8	3,480.8	405.2	160.1	119.3	336.0
March	144.9	1,781.3	88.5	7,254.3	375.7	108.4	2,594.7	300.9	358.8	3,482.5	407.3	166.3	116.2	351.0
April	140.3	1,744.6	94.4	7,129.5	342.7	99.5	2,571.1	268.4	350.6	3,922.1	368.0	184.9	127.6	341.0
May	159.3	1,916.2	129.9	7,883.8	567.8	152.4	2,850.9	438.8	381.2	4,431.2	423.5	216.1	136.9	494.8
June	183.2	2,020.7	94.7	9,012.0	574.2	134.9	2,863.9	429.1	425.1	3,920.2	484.7	211.0	124.9	518.3
July	224.6	1,975.9	130.2	9,674.2	605.5	176.1	3,290.8	437.9	485.7	4,322.0	554.7	210.2	162.0	734.0
August	201.2	1,763.4	88.7	8,650.7	523.7	111.9	2,564.3	325.5	405.3	3,650.8	463.4	186.9	112.8	474.6
September	213.7	1,948.2	103.5	9,316.3	565.1	119.8	2,567.4	345.1	432.1	4,087.5	460.9	181.4	113.5	467.6
October	219.9	2,205.3	116.2	10,758.8	639.5	117.3	2,842.3	383.0	429.7	4,597.8	527.2	156.1	127.8	525.1
November	180.6	1,908.5	92.5	9,028.1	548.5	123.6	2,519.8	333.7	356.7	3,971.6	417.2	152.5	134.4	454.9
December	206.3	2,248.0	124.7	10,426.5	638.7	151.0	3,255.3	402.2	522.1	4,731.8	493.1	237.5	142.6	523.9
1943—January	203.0	2,071.5	131.2	8,705.6	623.0	150.6	3,076.2	422.4	609.1	4,586.6	412.8	198.5	139.7	516.4
February	175.6	1,850.3	105.4	8,019.8	593.6	139.7	2,850.9	390.2	433.1	4,020.3	347.1	190.5	137.4	438.7
March	174.2	2,001.2	105.5	8,793.1	631.8	126.5	2,882.0	388.2	465.0	4,286.8	391.4	202.0	149.9	454.0
April	180.8	2,057.2	117.1	8,939.4	625.6	167.5	2,922.0	458.6	531.2	4,566.3	439.2	217.9	155.6	462.3
May	170.1	1,760.3	81.4	7,835.9	455.4	103.4	2,499.5	302.7	369.0	3,824.8	372.9	151.7	101.1	359.6
June	126.6	1,417.1	56.4	6,644.9	344.3	71.5	1,679.1	252.5	284.4	2,821.9	292.4	122.5	69.4	274.8
Total, May 1941 to June 1943	3,456.3	36,806.5	1,983.1	161,204.4	9,935.0	2,370.4	51,512.7	6,976.0	8,121.8	76,963.0	8,318.6	3,726.3	2,388.7	8,697.5

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Period	Texas	Utah	Vermont	Virginia	Washington	West Virginia	Wisconsin	Wyoming	Alaska	Hawaii	Puerto Rico	Other possessions
By calendar years:												
1941	2,309.4	138.1	126.4	721.3	791.3	363.6	796.1	94.6	5.6	246.3	54.5	1.3
1942	19,986.9	2,057.9	1,299.2	7,064.6	7,276.7	4,213.1	11,250.5	905.3	147.0	2,093.6	254.0	4.3
By fiscal years:												
1941	276.5	11.6	14.7	71.6	75.0	32.4	104.7	9.7	1.2	6.9	10.2	.6
1942	11,520.8	963.4	705.8	4,051.8	3,909.2	2,449.7	5,728.3	493.6	66.1	1,238.7	166.8	.7
1943	20,141.6	2,436.2	1,340.0	7,315.1	8,124.7	4,014.2	12,535.0	1,018.8	190.2	2,339.3	329.0	12.5
By months:												
1941—May	148.7	6.4	6.5	42.1	39.2	17.6	78.7	5.9	.5	3.2	5.4	.3
June	127.8	5.2	8.2	29.5	35.7	14.8	26.1	3.7	.7	3.7	4.8	.2
July	164.6	7.1	8.4	41.5	57.6	19.3	33.3	5.0	1.0	6.9	6.8	.3
August	200.0	11.2	9.7	58.7	85.1	21.1	38.3	6.8	1.3	9.7	6.0	.2
September	176.7	13.0	10.2	68.9	82.1	25.6	45.3	6.2	.6	81.9	4.9	----------
October	205.2	15.6	13.2	78.6	94.2	32.4	64.3	8.6	.2	49.4	7.9	.2
November	233.1	16.4	15.8	89.2	91.8	34.1	86.4	9.9	.4	34.1	9.5	----------
December	1,053.3	63.2	54.5	312.9	305.5	198.7	423.7	48.5	.9	57.5	9.3	----------
1942—January	1,592.7	126.2	97.8	558.9	479.6	360.8	819.5	71.9	6.1	84.4	15.0	----------
February	1,551.0	124.8	93.6	526.7	402.1	336.7	772.7	69.2	8.7	78.9	17.7	----------
March	1,646.0	125.3	89.3	555.2	424.1	365.1	813.0	63.1	11.9	158.1	22.4	----------
April	1,467.2	137.5	96.3	566.4	435.8	342.9	820.1	64.0	9.7	220.4	23.2	----------
May	1,695.8	171.9	112.3	602.0	702.4	375.5	931.7	76.7	13.6	263.8	22.4	----------
June	1,535.2	151.2	104.8	592.9	748.8	337.5	880.0	63.9	11.7	193.8	21.9	----------
July	1,848.0	177.8	136.4	659.0	759.0	365.3	1,054.6	101.5	12.8	220.8	19.4	----------
August	1,592.9	144.2	102.4	521.7	592.6	305.4	876.0	70.4	11.9	181.6	18.4	----------
September	1,643.5	142.9	115.4	585.1	624.6	314.2	953.1	69.3	11.9	130.2	19.1	----------
October	1,807.2	169.3	124.2	640.3	684.2	391.5	1,129.0	74.9	18.8	144.6	22.6	.4
November	1,601.1	220.0	104.6	586.7	601.4	320.4	983.2	84.8	12.0	161.5	27.3	2.5
December	2,006.3	366.7	122.0	669.7	822.0	398.0	1,217.6	95.6	17.9	255.7	24.6	1.4
1943—January	1,748.9	244.6	119.6	707.8	905.4	380.9	1,154.7	91.9	14.5	213.7	31.0	1.3
February	1,702.1	214.0	107.5	604.1	709.9	355.0	1,123.6	89.4	11.0	203.8	34.3	1.4
March	1,686.9	222.7	108.8	671.6	672.0	379.3	1,151.4	105.6	24.0	249.3	37.4	1.8
April	1,916.4	283.3	116.1	737.0	735.5	368.4	1,199.9	111.4	30.5	253.4	33.5	.8
May	1,444.7	145.2	100.0	559.1	609.2	251.5	1,034.5	70.1	15.6	212.3	32.8	1.5
June	1,143.6	105.5	82.9	373.0	408.8	184.5	657.5	53.9	9.4	112.4	28.5	1.3
Total, May 1941 to June 1943	31,938.9	3,411.3	2,060.5	11,438.5	12,108.8	6,496.3	18,368.1	1,522.2	257.5	3,585.0	506.0	13.9

NOTE.—Figures are rounded to nearest tenth of a thousand and will not necessarily add to totals.

[1] See footnote 1, p. 631.

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Treasury notes—tax series and savings series

TABLE 44.—*Analysis of sales and redemptions of Treasury notes, tax series and savings series, by series and by fiscal years and months, August 1941 through June 1943* [1]

[Par amount. On basis of daily Treasury statements, see p. 459]

Period	Sales (including exchanges)				Redemptions (including exchanges)						
	Total	Series A [2]	Series B	Series C	Total	For cash [3]			For taxes		
						Series A	Series B	Series C	Series A	Series B	Series C
By fiscal years:											
1942	$4,138,914,475	$72,176,875	$4,066,737,600		$1,124,394,125	$771,175	$19,911,400		$16,631,750	$1,087,079,800	
1943	[4] 8,758,532,925	334,730,925	877,089,000	$7,546,713,000	[4] 4,277,607,250	8,829,850	138,808,050	$35,564,000	113,962,050	2,933,269,300	$1,047,174,000
By months:											
1941—August	1,037,124,525	18,225,725	1,018,898,800		5,300	5,300					
September	305,927,000	7,803,700	298,123,300		93,300	14,600	78,700				
October	474,682,625	6,512,625	468,170,000		27,375	13,275	14,100				
November	319,776,475	4,221,875	315,554,600		1,019,625	15,825	1,003,800				
December	341,865,275	7,324,075	334,541,200		7,273,475	35,775	7,237,700				
1942—January	237,750,525	4,692,625	233,057,900		11,533,375	43,450	944,100		250,225	10,295,600	
February	126,119,475	3,226,875	122,892,600		16,191,675	93,300	249,500		944,275	14,904,600	
March	234,788,400	5,266,600	229,521,800		505,594,200	294,325	636,700		10,480,375	494,182,800	
April	254,682,200	4,607,200	250,075,000		46,615,550	76,600	1,175,400		1,092,950	44,270,600	
May	399,250,525	5,158,125	394,092,400		43,894,950	74,050	1,727,300		235,900	41,857,700	
June	406,947,450	5,137,450	401,810,000		492,145,300	104,675	6,844,100		3,628,025	481,568,500	
July	388,179,900	5,989,175	382,190,725		46,054,425	131,150	1,118,500		346,575	44,458,200	
August	417,944,100	5,139,525	412,804,575		35,275,850	115,475	5,729,000		177,875	29,253,500	
September	[3] 977,880,450	52,579,650	82,093,700	843,207,100	[3] 580,073,625	128,700	52,597,200		4,857,425	522,490,300	
October	[3] 941,075,050	54,716,350		886,358,700	[3] 114,647,275	271,675	57,603,100	450,000	183,600	56,138,900	
November	[3] 781,636,575	33,489,575		748,147,000	[3] 42,641,625	221,400	4,644,200	21,000	198,275	36,815,750	741,000
December	1,312,307,125	86,047,125		1,226,260,000	630,780,550	310,625	4,223,200	30,000	9,791,875	589,014,350	27,410,500
1943—January	452,898,075	34,480,875		418,417,200	88,124,425	537,825	1,093,700	137,000	511,100	67,436,300	18,408,500
February	456,635,325	12,976,325		443,659,000	80,736,925	621,625	395,900	965,000	1,828,400	52,440,000	24,486,000
March	446,755,800	15,300,800		431,455,000	1,225,870,500	2,315,200	2,228,900	7,229,000	47,547,625	820,726,775	345,823,000
April	1,632,907,500	21,761,500		1,611,146,000	196,029,700	1,157,650	6,144,700	12,174,000	11,129,150	87,271,200	78,153,000
May	482,238,375	7,770,375		474,468,000	101,806,125	846,700	2,166,600	1,806,000	*a 862,875*	43,190,700	54,659,000
June	468,074,650	4,479,650		463,595,000	1,135,566,225	2,171,825	863,050	12,752,000	38,253,025	584,033,325	497,493,000

NOTE.—Figures are rounded to nearest dollar and will not necessarily add to totals.

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° Adjustment, deduct.
[1] All series originally issued as "Treasury notes—tax series." However, designation of Series C changed to "Treasury savings notes, Series C," on June 23, 1943. For a description of all series, see p. 553.
[2] Sales of Series A notes terminated June 22, 1943.
[3] Includes exchanges as follows:

Month	Exchanged		Exchanged for—	
	Series	Amount	Series	Amount
September 1942	A—1944	$18,700	A—1945	$18,700
	B—1944	48,559,100	A—1945	300
			C—1945	48,558,800
Total, September		48,577,800		48,577,800
October 1942	A—1944	67,450	A—1945	67,450
	B—1944	23,800	A—1945	23,800
	B—1944	19,631,500	C—1945	19,631,500
Total, October		19,722,750		19,722,750
November 1942	A—1944	12,575	A—1945	12,575
Total, fiscal year 1943		68,313,125		68,313,125

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TABLE 45.—*Summary of sales and redemptions of Treasury notes, tax series and savings series, by series and by fiscal years and months, August 1941 through June 1943* [1]

[In millions of dollars. On basis of daily Treasury statements and reports of sales]

Period	Amount outstanding end of fiscal year or month (par value)	Net change during fiscal year or month	Analysis of net change			
			Analysis of sales			Redemptions at par value (including exchanges) [2]
			Total funds received (including exchanges) [2]	Adjustment of sales reported to funds received	Sales reported	
	All series					
By fiscal years:						
1942	3,014.5	+3,014.5	4,138.9	−17.2	4,156.2	1,124.4
1943	7,495.4	+4,480.9	[2] 8,758.5	+134.5	8,624.1	[2] 4,277.6
By months:						
1941—August	1,037.1	+1,037.1	1,037.1	−57.5	1,094.6	(*)
September	1,343.0	+305.8	305.9	+17.5	288.5	.1
October	1,817.6	+474.7	474.7	+37.0	437.7	(*)
November	2,136.4	+318.8	319.8	−.5	320.3	1.0
December	2,471.0	+334.6	341.9	−3.7	345.6	7.3
1942—January	2,697.2	+226.2	237.8	+10.0	227.7	11.5
February	2,807.1	+109.9	126.1	−1.9	128.0	16.2
March	2,536.3	−270.8	234.8	−2.5	237.3	505.6
April	2,744.4	+208.1	254.7	−6.3	261.0	46.6
May	3,099.7	+355.4	399.3	+4.0	395.2	43.9
June	3,014.5	−85.2	406.9	−13.3	420.2	492.1
July	3,356.6	+342.1	388.2	+5.9	382.2	46.1
August	3,739.3	+382.7	417.9	+18.8	399.1	35.3
September	4,137.1	+397.8	[2] 977.9	+37.1	940.8	[2] 580.1
October	4,963.5	+826.4	[2] 941.1	+17.7	923.4	[2] 114.6
November	5,702.5	+739.0	[2] 781.6	+4.0	777.6	[2] 42.6
December	6,384.1	+681.5	1,312.3	−22.6	1,334.9	630.8
1943—January	6,748.8	+364.8	452.9	+31.6	421.3	88.1
February	7,124.7	+375.9	456.6	+15.9	440.7	80.7
March	6,345.6	−779.1	446.8	−1.2	448.0	1,225.9
April	7,782.5	+1,436.9	1,632.9	+6.0	1,627.0	196.0
May	8,162.9	+380.4	482.2	+6.3	476.0	101.8
June	7,495.4	−667.5	468.1	+15.0	453.1	1,135.6

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	Series A[3]					
By fiscal years:						
1942	54.8	+54.8	72.2	+0.1	72.1	17.4
1943	266.7	+211.9	[2] 334.7	+3.6	331.2	[2] 122.8
By months:						
1941—August	18.2	+18.2	18.2	−1.5	19.7	(*)
September	26.0	+7.8	7.8	+.7	7.1	(*)
October	32.5	+6.5	6.5	+.7	5.8	(*)
November	36.7	+4.2	4.2	+.1	4.1	(*)
December	44.0	+7.3	7.3	+1.6	5.8	(*)
1942—January	48.4	+4.4	4.7	−1.4	6.1	.3
February	50.6	+2.2	3.2	(*)	3.3	1.0
March	45.1	−5.5	5.3	−.1	5.4	10.8
April	48.5	+3.4	4.6	(*)	4.6	1.2
May	53.4	+4.8	5.2	(*)	5.2	.3
June	54.8	+1.4	5.1	(*)	5.1	3.7
July	60.3	+5.5	6.0	(*)	6.0	.5
August	65.1	+4.8	5.1	+.2	4.9	.3
September	112.7	+47.6	[2] 52.6	−.3	52.9	[2] 5.0
October	167.0	+54.3	[2] 54.7	+.6	54.1	[2].5
November	200.1	+33.1	[2] 33.5	+.3	33.2	[2].4
December	276.0	+75.9	86.0	−.7	86.7	10.1
1943—January	309.4	+33.4	34.5	+2.1	32.4	1.0
February	320.0	+10.5	13.0	+.4	12.6	2.5
March	285.4	−34.6	15.3	+.3	15.0	49.9
April	294.9	+9.5	21.8	−.1	21.8	12.3
May	302.7	+7.8	7.8	+.5	7.3	(*)
June	266.7	−35.9	4.5	+.2	4.3	40.4
	Series B					
By fiscal years:						
1942	2,959.7	+2,959.7	4,066.7	−17.3	4,084.1	1,107.0
1943	764.8	−2,195.0	877.1	+24.9	852.2	[2] 3,072.1
By months:						
1941—August	1,018.9	+1,018.9	1,018.9	−56.6	1,074.9	----------
September	1,316.9	+298.0	298.1	+16.7	281.4	.1
October	1,785.1	+468.2	468.2	+36.3	431.9	(*)
November	2,099.7	+314.6	315.6	−.6	316.2	1.0
December	2,427.0	+327.3	334.5	−5.3	339.8	7.2
1942—January	2,648.8	+221.8	233.1	+11.5	221.6	11.2
February	2,756.5	+107.7	122.9	−1.8	124.7	15.2
March	2,491.2	−265.3	229.5	−2.4	231.9	494.8
April	2,695.8	+204.6	250.1	−6.4	256.4	45.4
May	3,046.3	+350.5	394.1	+4.0	390.1	43.6
June	2,959.7	−86.6	401.8	−13.3	415.1	488.4

Footnotes at end of table.

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TABLE 45.—*Summary of sales and redemptions of Treasury notes, tax series and savings series, by series and by fiscal years and months, August 1941 through June 1943* [1]—Continued

[In millions of dollars]

Period	Amount outstanding end of fiscal year or month (par value)	Net change during fiscal year or month	Analysis of net change			
			Analysis of sales			Redemptions at par value (including exchanges) [2]
			Total funds received (including exchanges) [2]	Adjustment of sales reported to funds received	Sales reported	
	Series B—Continued					
By months—Continued.						
1942—July	3,296.3	+336.6	382.2	+5.9	376.2	45.6
August	3,674.2	+377.8	412.8	+18.6	394.2	35.0
September	3,181.2	−493.0	82.1	+.3	81.8	[2] 575.1
October	3,067.4	−113.7				[2] 113.7
November	3,026.0	−41.5				41.5
December	2,432.7	−593.2				593.2
1943—January	2,364.2	−68.5				68.5
February	2,311.4	−52.8				52.8
March	1,488.4	−823.0				823.0
April	1,395.0	−93.4				93.4
May	1,349.7	−45.4				45.4
June	764.8	−584.9				584.9
	Series C					
Fiscal year:						
1943	6,464.0	+6,464.0	7,546.7	+106.1	7,440.7	1,082.7
By months:						
1942—September	843.2	+843.2	843.2	+37.1	806.1	
October	1,729.1	+885.9	886.4	+17.1	869.2	.4
November	2,476.5	+747.4	748.1	+3.7	744.5	.8
December	3,675.3	+1,198.8	1,226.3	−22.0	1,248.2	27.4
1943—January	4,075.2	+399.9	418.4	+29.5	388.9	18.5
February	4,493.4	+418.2	443.7	+15.6	428.1	25.5
March	4,571.8	+78.4	431.5	−1.5	433.0	353.1
April	6,092.6	+1,520.8	1,611.1	+6.0	1,605.1	90.3
May	6,510.6	+418.0	474.5	+5.8	468.7	56.5
June	6,464.0	−46.6	463.6	+14.8	448.8	510.2

NOTE.—Figures are rounded to nearest tenth of a million and will not necessarily add to totals.

*Less than $50,000.

[1] All series originally issued as "Treasury notes—tax series." However, designation of Series C changed to "Treasury savings notes, Series C", on June 23, 1943. For a description of all series, see p. 553.

[2] For details of the exchanges see footnote 3, table 44.

[3] Sales of Series A notes terminated June 22, 1943.

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TABLE 46.—*Sales of Treasury notes, tax series and savings series, by series, by denominations, and by fiscal years and months, August 1941 through June 1943* [1]

[On basis of reports of sales]

Period	Sales in millions of dollars at par							Percentage distribution of sales						
	Total all denominations	Denomination						Total all denominations	Denomination					
		$25	$50	$100	$500	$1,000	$5,000		$25	$50	$100	$500	$1,000	$5,000
	Series A [2]													
By fiscal years:														
1942	72.1	2.9	4.2	56.2	3.1	5.7	.....	100.0	4.0	5.8	78.0	4.3	7.9	.....
1943	331.2	4.3	7.7	55.8	63.0	147.4	52.9	100.0	1.3	2.3	16.8	19.0	44.5	16.0
By months:														
1941—August	19.7	.6	.8	18.3	.....	.....	.....	100.0	3.1	4.2	92.6	.....	.....	.....
September	7.1	.3	.4	6.3	.....	.....	.....	100.0	4.5	5.8	89.7	.....	.....	.....
October	5.8	.3	.4	5.1	.....	.....	.....	100.0	5.2	7.0	87.8	.....	.....	.....
November	4.1	.3	.3	3.5	.....	.....	.....	100.0	6.3	8.4	85.4	.....	.....	.....
December	5.8	.3	.5	4.9	.....	.....	.....	100.0	5.3	9.4	85.2	.....	.....	.....
1942—January	6.1	.2	.3	4.1	.5	.9	.....	100.0	3.7	5.5	67.2	8.5	15.1	.....
February	3.3	.1	.2	2.0	.3	.6	.....	100.0	4.1	6.1	62.0	9.4	18.4	.....
March	5.4	.2	.3	3.3	.6	1.0	.....	100.0	3.2	5.1	62.1	10.5	19.1	.....
April	4.6	.2	.3	2.8	.5	.9	.....	100.0	3.6	5.8	60.1	10.6	19.9	.....
May	5.2	.2	.3	2.9	.6	1.2	.....	100.0	3.4	5.7	57.1	11.4	22.5	.....
June	5.1	.2	.3	2.9	.6	1.1	.....	100.0	3.5	5.7	57.0	12.4	21.3	.....
July	6.0	.2	.4	3.3	.8	1.4	.....	100.0	3.4	5.8	54.2	13.1	23.6	.....
August	4.9	.2	.3	2.7	.6	1.1	.....	100.0	3.7	6.4	54.2	12.8	22.9	.....
September	52.9	.3	.7	5.8	8.0	25.7	12.3	100.0	.6	1.2	11.1	15.2	48.6	23.3
October	54.1	.5	.9	7.2	9.8	25.7	10.1	100.0	.8	1.7	13.2	18.1	47.4	18.7
November	33.2	.4	.8	5.4	6.8	14.9	5.0	100.0	1.2	2.3	16.1	20.4	44.8	15.1
December	86.7	1.1	2.0	13.7	17.7	39.3	12.9	100.0	1.3	2.3	15.8	20.4	45.3	14.9
1943—January	32.4	.6	.9	6.0	7.0	13.9	3.9	100.0	1.8	2.9	18.7	21.8	42.8	12.0
February	12.6	.3	.4	2.4	2.4	5.3	1.8	100.0	2.2	3.4	19.4	18.9	42.0	14.0
March	15.0	.3	.4	2.9	2.9	6.3	2.2	100.0	1.7	3.0	19.4	19.5	41.7	14.6
April	21.8	.3	.5	3.9	4.6	9.4	3.2	100.0	1.2	2.3	17.6	21.1	43.0	14.7
May	7.3	.1	.2	1.6	1.5	2.9	1.0	100.0	2.0	3.2	21.9	20.1	39.3	13.5
June	4.3	.1	.1	.9	.9	1.7	.5	100.0	1.8	3.1	21.8	21.0	39.6	12.7

Footnotes at end of table.

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TABLE 46.—*Sales of Treasury notes, tax series and savings series, by series, by denominations, and by fiscal years and months, August 1941 through June 1943* [1]—Continued

Period	Sales in millions of dollars at par									Percentage distribution of sales							
	Total all denominations	Denomination								Total all denominations	Denomination						
		$100	$500	$1,000	$5,000	$10,000	$100,000	$500,000	$1,000,000		$100	$500	$1,000	$5,000	$10,000	$100,000	$500,000	$1,000,000
Series B																		
By fiscal years:																		
1942	4,084.1	6.9	14.7	148.5	.....	566.7	1,391.8	366.5	1,589.0	100.0	0.2	0.4	3.6	.....	13.8	34.1	9.0	38.9
1943	852.2	1.6	3.4	35.8	.....	158.6	338.8	140.0	174.0	100.0	.2	.4	4.2	.....	18.6	39.8	16.4	20.4
By months:																		
1941—August	1,074.9	1.2	2.9	27.5	.....	120.5	374.9	63.0	485.0	100.0	.1	.3	2.6	.....	11.2	34.9	5.9	45.1
September	281.4	.5	1.2	12.7	.....	44.8	103.2	28.0	91.0	100.0	.2	.4	4.5	.....	15.9	36.7	10.0	32.3
October	431.9	.5	1.4	12.1	.....	44.2	114.2	26.5	233.0	100.0	.1	.3	2.8	.....	10.2	26.4	6.1	53.9
November	316.2	.5	1.1	11.2	.....	43.9	104.4	32.0	123.0	100.0	.2	.4	3.5	.....	13.9	33.0	10.1	38.9
December	339.8	.9	2.1	19.2	.....	58.8	120.9	22.0	116.0	100.0	.3	.6	5.6	.....	17.3	35.6	6.5	34.1
1942—January	221.6	.6	1.2	12.1	.....	39.8	71.8	19.0	77.0	100.0	.3	.6	5.5	.....	18.0	32.4	8.6	34.7
February	124.7	.3	.6	6.4	.....	23.2	48.7	11.5	34.0	100.0	.3	.5	5.1	.....	18.6	39.0	9.2	27.3
March	231.9	.5	1.1	10.9	.....	33.4	74.5	31.5	80.0	100.0	.2	.5	4.7	.....	14.4	32.1	13.6	34.5
April	256.4	.5	.9	10.6	.....	39.8	108.2	34.5	62.0	100.0	.2	.3	4.1	.....	15.5	42.2	13.5	24.2
May	390.1	.6	1.1	12.0	.....	52.9	122.4	43.0	158.0	100.0	.2	.3	3.1	.....	13.6	31.4	11.0	40.5
June	415.1	.6	1.1	13.8	.....	65.5	148.6	55.5	130.0	100.0	.1	.3	3.3	.....	15.8	35.8	13.4	31.3
July	376.2	.7	1.5	15.9	.....	71.4	150.8	81.0	55.0	100.0	.2	.4	4.2	.....	19.0	40.1	21.5	14.6
August	394.2	.7	1.4	16.0	.....	74.1	172.5	37.5	92.0	100.0	.2	.4	4.1	.....	18.8	43.8	9.5	23.3
September	81.8	.3	.5	3.9	.....	13.1	15.5	21.5	27.0	100.0	.3	.6	4.8	.....	16.0	19.0	26.3	33.0
Series C																		
Fiscal year:																		
1943	7,440.7	.....	.....	241.9	323.9	1,369.0	2,506.9	1,105.0	1,894.0	100.0	.....	.....	3.3	4.4	18.4	33.7	14.9	25.5
By months:																		
1942—September	806.1	.....	.....	16.4	24.8	131.2	267.3	98.5	268.0	100.0	.....	.....	2.0	3.1	16.3	33.2	12.2	33.2
October	869.2	.....	.....	19.8	31.6	150.1	297.2	146.5	224.0	100.0	.....	.....	2.3	3.6	17.3	34.2	16.9	25.8
November	744.5	.....	.....	17.0	26.3	126.7	230.0	71.5	273.0	100.0	.....	.....	2.3	3.5	17.0	30.9	9.6	36.7
December	1,248.2	.....	.....	41.1	67.8	254.8	395.5	208.0	281.0	100.0	.....	.....	3.3	5.4	20.4	31.7	16.7	22.5
1943—January	388.9	.....	.....	15.6	20.4	79.1	139.8	63.0	71.0	100.0	.....	.....	4.0	5.2	20.3	35.9	16.2	18.3
February	428.1	.....	.....	9.3	13.2	56.4	137.1	70.0	142.0	100.0	.....	.....	2.2	3.1	13.2	32.0	16.4	33.2
March	433.0	.....	.....	10.1	13.3	66.4	123.2	79.0	141.0	100.0	.....	.....	2.3	3.1	15.3	28.5	18.2	32.6
April	1,605.1	.....	.....	82.0	89.1	339.2	595.8	223.0	276.0	100.0	.....	.....	5.1	5.6	21.1	37.1	13.9	17.2
May	468.7	.....	.....	20.4	22.8	90.1	150.4	69.0	116.0	100.0	.....	.....	4.4	4.9	19.2	32.1	14.7	24.7
June	448.8	.....	.....	10.3	14.6	74.8	170.6	76.5	102.0	100.0	.....	.....	2.3	3.2	16.7	38.0	17.0	22.7

NOTE.—Dollar figures rounded to nearest tenth of a million and will not necessarily add to totals.

[1] All series originally issued as "Treasury notes—tax series." However, designation of Series C changed to "Treasury savings notes, Series C," on June 23, 1943. For a description of all series, see p. 553.

[2] Sales of Series A notes terminated June 22, 1943.

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TABLE 47.—*Sales of Treasury notes, tax series and savings series, by series, by types of purchasers, and by fiscal years and months, August 1941 through June 1943* [1]

[On basis of reports of sales]

Period	Sales in millions of dollars at par			Percentage distribution of sales		
	Total	Type of purchaser		Total	Type of purchaser	
		Individuals, partnerships, and fiduciaries	Corporations		Individuals, partnerships, and fiduciaries	Corporations
	All series					
By fiscal years:						
1942	4,156.2	402.5	3,753.7	100.0	9.7	90.3
1943	8,624.1	923.4	7,700.6	100.0	10.7	89.3
By months:						
1941—August	1,094.6	66.0	1,028.6	100.0	6.0	94.0
September	288.5	27.3	261.2	100.0	9.5	90.5
October	437.7	25.5	412.1	100.0	5.8	94.2
November	320.3	17.8	302.5	100.0	5.6	94.4
December	345.6	42.1	303.5	100.0	12.2	87.8
1942—January	227.7	66.1	161.6	100.0	29.0	71.0
February	128.0	26.7	101.3	100.0	20.8	79.2
March	237.3	28.8	208.5	100.0	12.1	87.9
April	261.0	37.2	223.8	100.0	14.3	85.7
May	395.2	29.3	365.9	100.0	7.4	92.6
June	420.2	35.5	384.7	100.0	8.5	91.5
July	382.2	38.9	343.4	100.0	10.2	89.8
August	399.1	28.8	370.3	100.0	7.2	92.8
September	940.8	86.5	854.3	100.0	9.2	90.8
October	923.4	122.4	801.0	100.0	13.3	86.7
November	777.6	86.7	691.0	100.0	11.1	88.9
December	1,334.9	187.6	1,147.3	100.0	14.1	85.9
1943—January	421.3	61.7	359.5	100.0	14.7	85.3
February	440.7	37.9	402.8	100.0	8.6	91.4
March	448.0	63.6	384.3	100.0	14.2	85.8
April	1,627.0	137.6	1,489.3	100.0	8.5	91.5
May	476.0	42.5	433.5	100.0	8.9	91.1
June	453.1	29.2	423.9	100.0	6.4	93.6

Footnotes at end of table.

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TABLE 47.—*Sales of Treasury notes, tax series and savings series, by series, by types of purchasers, and by fiscal years and months, August 1941 through June 1943* [1]—Continued

Period	Sales in millions of dollars at par			Percentage distribution of sales		
	Total	Type of purchaser		Total	Type of purchaser	
		Individuals, partnerships, and fiduciaries	Corporations		Individuals, partnerships, and fiduciaries	Corporations
	Series A [2]					
By fiscal years:						
1942	72.1	63.0	9.1	100.0	87.4	12.6
1943	331.2	253.5	77.6	100.0	76.6	23.4
By months:						
1941—August	19.7	16.0	3.7	100.0	81.2	18.8
September	7.1	6.2	.9	100.0	87.4	12.6
October	5.8	5.2	.6	100.0	89.0	11.0
November	4.1	3.5	.6	100.0	85.5	14.5
December	5.8	5.4	.4	100.0	93.8	6.2
1942—January	6.1	5.4	.7	100.0	88.9	11.1
February	3.3	2.8	.4	100.0	87.2	12.8
March	5.4	4.9	.5	100.0	90.6	9.4
April	4.6	4.2	.4	100.0	92.1	7.9
May	5.2	4.7	.4	100.0	91.7	8.3
June	5.1	4.6	.5	100.0	90.3	9.7
July	6.0	5.4	.6	100.0	90.1	9.9
August	4.9	4.3	.6	100.0	87.7	12.3
September	52.9	35.6	17.2	100.0	67.4	32.6
October	54.1	42.7	11.4	100.0	78.9	21.1
November	33.2	26.1	7.1	100.0	78.7	21.3
December	86.7	65.8	20.9	100.0	75.9	24.1
1943—January	32.4	26.8	5.6	100.0	82.6	17.4
February	12.6	10.0	2.6	100.0	79.2	20.8
March	15.0	12.2	2.8	100.0	81.6	18.4
April	21.8	15.7	6.2	100.0	71.7	28.3
May	7.3	5.6	1.7	100.0	76.9	23.1
June	4.3	3.3	.9	100.0	78.2	21.8

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Series B						
By fiscal years:						
1942	4,084.1	339.5	3,744.6	100.0	8.3	91.7
1943	852.2	63.5	788.7	100.0	7.5	92.5
By months:						
1941—August	1,074.9	50.0	1,024.9	100.0	4.7	95.3
September	281.4	21.1	260.3	100.0	7.5	92.5
October	431.9	20.4	411.5	100.0	4.7	95.3
November	316.2	14.3	301.9	100.0	4.5	95.5
December	339.8	36.7	303.1	100.0	10.8	89.2
1942—January	221.6	60.7	160.9	100.0	27.4	72.6
February	124.7	23.8	100.9	100.0	19.1	80.9
March	231.9	23.9	208.0	100.0	10.3	89.7
April	256.4	33.0	223.4	100.0	12.9	87.1
May	390.1	24.6	365.5	100.0	6.3	93.7
June	415.1	30.9	384.2	100.0	7.4	92.6
July	376.2	33.5	342.8	100.0	8.9	91.1
August	394.2	24.5	369.7	100.0	6.2	93.8
September	81.8	5.6	76.2	100.0	6.8	93.2
Series C						
Fiscal year						
1943	7,440.7	606.3	6,834.3	100.0	8.1	91.9
By months:						
1942—September	806.1	45.3	760.8	100.0	5.6	94.4
October	869.2	79.7	789.6	100.0	9.2	90.8
November	744.5	60.6	683.9	100.0	8.1	91.9
December	1,248.2	121.8	1,126.4	100.0	9.8	90.2
1943—January	388.9	35.0	353.9	100.0	9.0	91.0
February	428.1	27.9	400.2	100.0	6.5	93.5
March	433.0	51.4	381.6	100.0	11.9	88.1
April	1,605.1	122.0	1,483.1	100.0	7.6	92.4
May	468.7	36.9	431.8	100.0	7.9	92.1
June	448.8	25.9	422.9	100.0	5.8	94.2

NOTE.—Dollar figures rounded to nearest tenth of a million and will not necessarily add to totals.

[1] All series originally issued as "Treasury notes—tax series." However, designation of Series C changed to "Treasury savings notes, Series C," on June 23, 1943. For a description of these obligations, see p. 553.

[3] Sales of Series A notes terminated June 22, 1943.

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TABLE 48.—*Redemptions of Treasury notes, tax series and savings series, by series, by means of payment, and by fiscal years and months, August 1941 through June 1943* [1]

[On basis of daily Treasury statements, see p. 459]

Period	Redemptions in millions of dollars at par			Percentage distribution of redemptions		
	Total	Means of payment		Total	Means of payment	
		Received for taxes	Cash redemptions (including exchanges)[2]		Received for taxes	Cash redemptions (including exchanges)
	All series					
By fiscal years:						
1942	1,124.4	1,103.7	20.7	100.0	98.2	1.8
1943	[3] 4,277.6	4,094.4	[3] 183.2	100.0	95.7	4.3
By months:						
1941—August	(*)		(*)	100.0		100.0
September	.1		.1	100.0		100.0
October	(*)		(*)	100.0		100.0
November	1.0		1.0	100.0		100.0
December	7.3		7.3	100.0		100.0
1942—January	11.5	10.5	1.0	100.0	91.4	8.6
February	16.2	15.8	.3	100.0	97.9	2.1
March	505.6	504.7	.9	100.0	99.8	.2
April	46.6	45.4	1.3	100.0	97.3	2.7
May	43.9	42.1	1.8	100.0	95.9	4.1
June	492.1	485.2	6.9	100.0	98.6	1.4
July	46.1	44.8	1.2	100.0	97.3	2.7
August	35.3	29.4	5.8	100.0	83.4	16.6
September	[3] 580.1	527.3	[3] 52.7	100.0	90.9	9.1
October	[3] 114.6	56.3	[3] 58.3	100.0	49.1	50.9
November	[3] 42.6	37.8	[3] 4.9	100.0	88.6	11.4
December	630.8	626.2	4.6	100.0	99.3	.7
1943—January	88.1	86.4	1.8	100.0	98.0	2.0
February	80.7	78.8	2.0	100.0	97.5	2.5
March	1,225.9	1,214.1	11.8	100.0	99.0	1.0
April	196.0	176.6	19.5	100.0	90.1	9.9
May	101.8	97.0	4.8	100.0	95.3	4.7
June	1,135.6	1,119.8	15.8	100.0	98.6	1.4

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Series A[3]						
By fiscal years:						
1942	17.4	16.6	0.8	100.0	95.6	4.4
1943	[2] 122.8	114.0	[2] 8.8	100.0	92.8	7.2
By months:						
1941—August	(*)		(*)	100.0		100.0
September	(*)		(*)	100.0		100.0
October	(*)		(*)	100.0		100.0
November	(*)		(*)	100.0		100.0
December	(*)		(*)	100.0		100.0
1942—January	.3	.3	(*)	100.0	85.2	14.8
February	1.0	.9	.1	100.0	91.0	9.0
March	10.8	10.5	.3	100.0	97.3	2.7
April	1.2	1.1	.1	100.0	93.4	6.6
May	.3	.2	.1	100.0	76.1	23.9
June	3.7	3.6	.1	100.0	97.2	2.8
July	.5	.3	.1	100.0	72.6	27.4
August	.3	.2	.1	100.0	60.8	39.2
September	[2] 5.0	4.9	[2] .1	100.0	97.4	2.6
October	[2] .5	.2	[2] .3	100.0	40.3	59.7
November	[2] .4	.2	[2] .2	100.0	47.2	52.8
December	10.1	9.8	.3	100.0	96.9	3.1
1943—January	1.0	.5	.5	100.0	48.7	51.3
February	2.5	1.8	.6	100.0	74.6	25.4
March	49.9	47.5	2.3	100.0	95.4	4.6
April	12.3	11.1	1.2	100.0	90.6	9.4
May	(*)	[3] .9	.8	100.0		
June	40.4	38.3	2.2	100.0	94.6	5.4
Series B						
By fiscal years:						
1942	1,107.0	1,087.1	19.9	100.0	98.2	1.8
1943	[2] 3,072.1	2,933.3	[2] 138.8	100.0	95.5	4.5
By months:						
1941—August						
September	.1		.1	100.0		100.0
October	(*)		(*)	100.0		100.0
November	1.0		1.0	100.0		100.0
December	7.2		7.2	100.0		100.0
1942—January	11.2	10.3	.9	100.0	91.6	8.4
February	15.2	14.9	.2	100.0	98.4	1.6
March	494.8	494.2	.6	100.0	99.9	.1
April	45.4	44.3	1.2	100.0	97.4	2.6
May	43.6	41.9	1.7	100.0	96.0	4.0
June	488.4	481.6	6.8	100.0	98.6	1.4

Footnotes at end of table.

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TABLE 48.—*Redemptions of Treasury notes, tax series and savings series, by series, by means of payment, and by fiscal years and months, August 1941 through June 1943* [1]—Continued

Period	Redemptions in millions of dollars at par			Percentage distribution of redemptions		
	Total	Means of payment		Total	Means of payment	
		Received for taxes	Cash redemptions (including exchanges)[2]		Received for taxes	Cash redemptions (including exchanges)
	Series B—Continued					
By months—Continued.						
1942—July	45.6	44.5	1.1	100.0	97.5	2.5
August	35.0	29.3	5.7	100.0	83.6	16.4
September	[2] 575.1	522.5	[2] 52.6	100.0	90.9	9.1
October	[2] 113.7	56.1	[2] 57.6	100.0	49.4	50.6
November	41.5	36.8	4.6	100.0	88.8	11.2
December	593.2	589.0	4.2	100.0	99.3	.7
1943—January	68.5	67.4	1.1	100.0	98.4	1.6
February	52.8	52.4	.4	100.0	99.3	.7
March	823.0	820.7	2.2	100.0	99.7	.3
April	93.4	87.3	6.1	100.0	93.4	6.6
May	45.4	43.2	2.2	100.0	95.2	4.8
June	584.9	584.0	.9	100.0	99.9	.1
	Series C					
Fiscal year:						
1943	[2] 1,082.7	1,047.2	[2] 35.6	100.0	96.7	3.3
By months:						
1942—September						
October	[2] .4		[2] .4	100.0		100.0
November	.8	.7	(*)	100.0	97.2	2.8
December	27.4	27.4	(*)	100.0	99.9	.1
1943—January	18.5	18.4	.1	100.0	99.3	.7
February	25.5	24.5	1.0	100.0	96.2	3.8
March	353.1	345.8	7.2	100.0	98.0	2.0
April	90.3	78.2	12.2	100.0	86.5	13.5
May	56.5	54.7	1.8	100.0	96.8	3.2
June	510.2	497.5	12.8	100.0	97.5	2.5

NOTE.—Figures are rounded to nearest tenth of a million and will not necessarily add to totals.

*Less than $500,000.

[a] Adjustment, deduct.

[1] All series originally issued as "Treasury notes—tax series." However, designation of Series C changed to "Treasury savings notes, Series C," on June 23, 1943. For a description of all series see p. 553.

[2] For details of the exchanges see footnote 3, table 44.

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Interest on the public debt

TABLE 49.—*Interest on the public debt, payable, paid, and outstanding unpaid, fiscal year 1943*

[On basis of public debt accounts, see p. 459]

Issue	Outstanding unpaid June 30, 1942	Due and payable during 1943	Payments during 1943	Outstanding unpaid June 30, 1943
Conversion bonds, etc	$322,304.92	$2,360,910.86	$2,244,795.79	$438,419.99
Postal savings bonds	147,016.70	2,932,135.00	2,905,178.50	173,973.20
Liberty bonds and Victory notes	5,750,379.46	12.75	148,125.37	5,602,266.84
Treasury bonds	27,904,265.24	1,176,194,115.09	1,165,980,805.51	38,117,574.82
Treasury notes	10,360,493.52	272,551,258.01	254,043,099.52	28,868,652.01
Certificates of indebtedness	835,897.29	127,224,065.07	126,498,774.95	1,561,187.41
Treasury (war) savings securities [1]	3,269,415.00		50,700.00	3,218,715.00
Treasury bills [1]		30,667,937.77	30,667,937.77	
United States savings bonds, Series A to F [1]		127,611,428.75	127,611,428.75	
United States savings bonds, Series G	192,082.50	76,951,658.85	76,519,226.87	624,514.48
Adjusted service bonds	41,387,674.56	29,392,406.74	23,915,318.74	46,864,762.56
Depositary bonds	3,654.88	2,435,994.30	2,423,104.96	16,544.22
Total	90,173,184.07	1,848,321,923.19	1,813,008,496.73	125,486,610.53

[1] Amounts represent discount treated as interest.

TABLE 50.—*Interest paid on the public debt, by issues, fiscal years 1941 through 1943* [1]

[On basis of public debt accounts, see p. 459]

Issues	Rate of interest	1941	1942	1943
Debt unmatured as of June 30 in the respective years:	*Percent*			
Panama Canal loan of 1961	3	$1,493,824.50	$1,495,254.00	$1,365,660.75
Conversion bonds of 1946–47	3	865,495.50	861,066.00	868,122.75
Postal savings bonds	2½	2,931,798.00	2,928,153.00	2,905,178.50
Treasury bonds:				
1947–52	4¼	32,185,554.10	32,190,636.42	32,032,105.43
1944–54	4	41,326,190.00	41,497,110.00	41,263,838.00
1946–56	3¾	18,303,762.70	18,314,225.90	18,275,905.90
1943–47	3⅜	15,211,437.39	[2] 15,397,562.49	
1946–49	3⅛	25,498,616.04	25,594,252.37	25,389,150.85
1951–55	3	22,586,773.50	22,607,507.25	22,489,338.25
1941	3¼	35,722,854.97		
1943–45	3¼	45,483,930.34	45,423,665.05	45,417,769.17
1944–46	3¼	49,313,249.91	49,299,304.73	49,224,953.94
1946–48	3	31,081,336.50	31,119,288.00	30,979,703.25
1949–52	3⅛	15,314,443.50	15,287,097.54	15,320,985.94
1955–60	2⅞	74,909,656.75	74,866,073.18	74,810,663.31
1945–47	2¾	33,367,470.56	33,395,413.94	33,337,457.37
1948–51	2¾	33,629,843.48	33,614,295.62	33,657,250.53
1951–54	2¾	44,678,654.46	44,712,551.67	44,695,016.17
1956–59	2¾	26,940,179.00	26,987,076.80	26,982,391.12
1949–53	2½	44,472,465.34	44,730,558.91	44,439,985.32
1945	2½	13,485,573.94	13,448,836.42	13,507,598.23
1948	2½	11,269,230.19	11,269,538.87	11,276,909.17
1958–63	2¾	25,166,915.95	25,279,281.62	25,139,905.09
1950–52	2½	29,623,894.38	29,607,299.73	29,655,551.37
1960–65	2¾	40,575,042.12	40,838,891.32	40,589,081.33
1947	2	13,924,702.50	13,960,226.00	14,038,842.50
1948–50 (dated Dec. 8, 1939)	2	11,401,735.85	11,227,843.24	11,443,115.31
1948–50 (dated Mar. 15, 1941)	2		22,360,097.00	22,203,987.00
1949–51 (dated Jan. 15, 1942)	2		8,146,957.40	20,358,443.26
1949–51 (dated May 15, 1942)	2		[3] *211.46*	21,486,544.75
1949–51 (dated July 15, 1942)	2			37,462,418.14
1951–55	2		5,030,032.23	10,074,687.50
1951–53	2¼	25,091,474.66	25,074,333.60	25,233,527.91
1954–56	2¼	13,407,783.74	15,324,458.99	15,256,947.41
1953–55	2	9,729,880.10	14,502,413.15	14,500,482.89
1952–54	2½	[2] *37,730.41*	24,419,594.96	25,566,781.02
1956–58	2½	[3] *44.14*	28,337,742.04	36,193,888.72
1967–72	2½		22,456,590.68	67,750,165.26
1963–68	2½			34,558,527.70
1964–69	2½			13,575,666.13
1952–55	2¼		9,954,902.59	33,553,907.55
1962–67	2½			50,679,559.98
1950–52 (dated Oct. 19, 1942)	2			15,865,275.32
1950–52 (dated Apr. 15, 1943)	2			[3] *3,525,786,07*
1948	1¾			25,887,891.80

Footnotes at end of table.

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TABLE 50.—*Interest paid on the public debt, by issues, fiscal years 1941 through 1943* [1]—Continued

Issues	Rate of interest	1941	1942	1943
Debt unmatured as of June 30 in the respective years—Continued.				
United States savings bonds:	*Percent*			
Series A–1935	[4] 2.9	$4,101,746.50	$3,961,960.50	$6,724,664.25
Series B–1936	[4] 2.9	7,671,047.25	7,384,758.00	7,205,806.75
Series C–1937	[4] 2.9	10,215,359.25	9,816,276.50	9,563,232.50
Series C–1938	[4] 2.9	12,642,168.25	12,114,660.50	11,777,834.00
Series D–1939	[4] 2.9	21,489,734.75	20,518,132.25	19,876,713.75
Series D–1940	[4] 2.9	8,887,689.75	26,139,939.75	25,265,404.00
Series D–1941	[4] 2.9		5,923,045.75	11,585,758.50
Series E–1941	[4] 2.9		1,476,091.50	16,976,412.43
Series F–1941	[4] 2.53		200,535.40	1,722,214.61
Series E–1942	[4] 2.9			16,148,439.61
Series F–1942	[4] 2.53			764,948.35
Series G–1941 and 1942	[4] 2.5		21,282,661.35	76,519,226.87
Depositary bonds	2		1,112,237.86	2,423,104.96
Adjusted service bonds of 1945	3	3,064,822.26	2,212,397.68	1,408,210.70
Adjusted service bonds, Government life insurance fund, Series 1946	4½	22,507,108.04	22,507,108.04	22,507,108.04
Treasury notes, public issues	Various	53,429,967.34	53,136,126.21	103,246,068.70
Treasury notes, special issues:				
Old-age reserve account	3	33,138,641.10	18,136,857.56	
Federal old-age and survivors insurance trust fund	2½	14,872,637.02	33,202,500.00	33,202,500.00
Federal old-age and survivors insurance trust fund	2⅜		7,895,345.88	14,321,250.00
Federal old-age and survivors insurance trust fund	1⅞			211,900.68
Federal old-age and survivors insurance trust fund	2			3,578,794.55
Federal old-age and survivors insurance trust fund	2⅛			4,024,109.58
Federal old-age and survivors insurance trust fund	2¼		210,821.92	15,264,000.00
Railroad retirement account	3	2,533,857.53	2,198,067.14	4,714,356.19
Civil service retirement fund	4	21,702,663.01	24,990,093.14	32,109,906.87
Civil service retirement fund	3	14,361.04	29,537.83	42,956.49
Foreign service retirement fund	4	163,789.04	185,431.68	220,321.32
Canal Zone retirement fund	4	126,032.44	238,811.28	290,184.54
Alaska Railroad retirement fund	4	35,936.98	37,693.15	50,920.22
Postal Savings System [5]	2	1,939,374.04	1,445,620.94	338,254.26
Government life insurance fund	2	229,990.44	148,821.91	297,265.76
Federal Savings and Loan Insurance Corporation	2	4,252.72	137,422.64	87,983.78
National service life insurance fund	3	15,425.35	433,551.37	4,967,969.16
Federal Deposit Insurance Corporation	2	1,441,678.98	1,879,445.15	1,405,054.95
Certificates of indebtedness, public issues	⅞		[3] 50.75	28,960,720.85
Certificates of indebtedness, special issue, adjusted service certificate fund	4	7,578.08	4,256.98	2,518.25
Treasury bills [6]		356,884.32	2,233,478.95	11,266,993.76
Debt matured as of June 30 in the respective years:				
Old debt matured, issued prior to April 1, 1917	Various	155.64	4,260.85	241.44
Consuls of 1930		55.75	496.25	10,756.75
First Liberty loan bonds	3½	51,593.11	40,115.17	17,855.82
First Liberty loan bonds (converted)	3½			13.29
First Liberty loan bonds (converted)	4	2,560.38	3,323.84	1,505.25
First Liberty loan bonds (converted)	4¼	23,547.67	25,743.71	11,827.30
First Liberty loan bonds (second converted)	4¼	614.13	22.32	12.74
Second Liberty loan bonds	4	4,530.00	5,467.00	3,726.00
Second Liberty loan bonds (converted)	4¼	5,488.93	6,007.10	5,672.29
Third Liberty loan bonds	4¼	19,702.57	20,604.22	12,221.84
Fourth Liberty loan bonds	4¼	204,861.15	162,456.38	94,004.77
Victory notes	3¾	12.45		
Victory notes	4¾	1,752.56	2,577.76	1,286.07
War savings stamps		59,045.00	64,515.00	50,475.00
Treasury savings certificates		450.00	425.00	225.00
Panama Canal loan of 1916–36		134.00	326.10	9.70
Panama Canal loan of 1918–38		375.10	50.00	4.40
Treasury bonds of 1940–43	3⅜	833,782.08	81,555.09	31,016.53
Treasury bonds of 1941–43	3⅜	18,535,031.49	[2] 193,425.45	61,580.52
Treasury bonds of 1943–47	3⅜			15,204,825.29
Treasury bonds of 1941	3¼		899,301.49	32,949.35
Treasury notes, public issues	Various	19,745,978.64	7,635,535.35	14,700,294.73

Footnotes at end of table.

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TABLE 50.—*Interest paid on the public debt, by issues, fiscal years 1941 through 1943* [1]—Continued

Issues	Rate of interest	1941	1942	1943
Debt matured as of June 30 in the respective years—Continued.				
Treasury notes, special issues:	*Percent*			
Old-age reserve account	3	$7,947,000.00	$11,460,000.00	$13,061,621.92
Railroad retirement account	3		944,991.77	1,062,493.15
Civil service retirement fund	4	3,446,586.30	4,702,761.64	5,636,000.00
Foreign service retirement fund	4	23,087.35	30,040.87	22,657.43
Canal Zone retirement fund	4	86,779.85	19,345.09	20,311.66
Alaska Railroad retirement fund	4	2,080.00	10,600.00	8,482.84
Federal Deposit Insurance Corporation	2		77,049.18	783,791.21
Postal Savings System	2	14,337.02	230,530.87	145,027.62
Government life insurance fund	2		218,055.29	228,621.91
Treasury certificates	2	13.00	107.00	36.00
Certificates of indebtedness, public issues, at various interest rates		4,081.73	14,008.08	16,214,485.16
Certificates of indebtedness, special issues:				
Adjusted service certificate fund	4	433,923.50	642,241.09	730,256.99
Unemployment trust fund	2½	48,952,549.64	60,353,106.99	
Unemployment trust fund	2⅛			6,530,910.31
Unemployment trust fund	2			2,978,871.03
Unemployment trust fund	1⅞			723,843.21
Unemployment trust fund	2⅜		6,530,862.41	
Unemployment trust fund	2¼		537,016.57	70,357,133.15
Treasury bills [6]		256,369.19	2,434,612.61	19,400,944.01
Total		1,110,205,219.13	1,260,105,096.85	1,813,008,496.73

[1] For details for the fiscal years 1918 to 1929, see annual report for 1929, p. 503; and for later years, similar tables in subsequent reports.
[2] Includes adjustment of $156.99 that had been charged against the bond issue of 1941-43.
[3] Deduct excess of credits, collection of interest accruals, and counter warrants adjustments.
[4] Approximate yield if held to maturity.
[5] Includes interest on Canal Zone Postal Savings System, Treasury notes.
[6] Sold on a discount basis.

TABLE 51.—*Amount of interest-bearing debt outstanding, the computed annual interest charge, and the computed rate of interest, at the end of the fiscal years 1916 through 1943, and at the end of each month from July 1942 to June 1943* [1]

[On basis of public debt accounts through June 1942, and subsequently on basis of daily Treasury statements see p. 459]

Year or month	Interest-bearing debt [2]	Computed annual interest charge	Computed rate of interest
Year ended June 30—			*Percent*
1916	$971,562,590	$23,084,635	2.376
1917	2,712,549,476	83,625,482	3.120
1918	11,985,882,436	468,618,544	3.910
1919	25,234,496,273	1,054,204,509	4.178
1920	24,061,095,361	1,016,592,219	4.225
1921	23,737,352,080	1,029,917,903	4.339
1922	22,711,035,587	962,896,535	4.240
1923	22,007,590,754	927,331,341	4.214
1924	20,981,586,429	876,960,673	4.180
1925	20,210,906,251	829,680,044	4.105
1926	19,383,770,860	793,423,952	4.093
1927	18,250,943,965	722,675,553	3.960
1928	17,317,695,096	671,353,112	3.877
1929	16,638,941,379	656,654,311	3.946
1930	15,921,892,350	606,031,831	3.807
1931	16,519,588,640	588,987,438	3.566
1932	19,161,273,540	671,604,676	3.505
1933	22,157,643,120	742,175,955	3.350
1934	26,480,487,920	842,301,133	3.181

[1] For monthly data back to June 30, 1916, see annual reports for 1929, p. 509; for 1936, p. 442; and corresponding tables in subsequent reports.
[2] The interest-bearing debt includes discount on Treasury bills from June 30, 1930, the amount being deducted from the interest-bearing debt prior to calculating the average interest rate.

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TABLE 51.—*Amount of interest-bearing debt outstanding, the computed annual interest charge, and the computed rate of interest, at the end of the fiscal years 1916 through 1943, and at the end of each month from July 1942 to June 1943* [1]—Continued.

Year or month	Interest-bearing debt [2]	Computed annual interest charge	Computed rate of interest
Year ended June 30—			*Percent*
1935	$27,645,229,826	$750,677,802	2.716
1936	32,755,631,770	838,002,053	2.559
1937	35,802,586,915	924,347,089	2.582
1938	36,578,684,982	947,164,071	2.589
1939	39,891,844,494	1,037,107,765	2.600
1940	42,380,009,306	1,094,721,802	2.583
1941	48,404,879,488	1,218,693,931	2.518
1942	72,041,190,333	1,645,975,092	2.285
1943	135,380,305,794	2,678,779,036	1.979
Month ended—			
1942—July	76,693,807,418	1,725,007,289	2.249
August	81,243,859,701	1,795,526,559	2.210
September	85,846,956,809	1,853,486,311	2.159
October	92,265,015,842	1,964,022,992	2.129
November	95,458,261,412	2,010,182,057	2.106
December	107,307,786,642	2,209,650,713	2.059
1943—January	110,023,972,478	2,254,444,661	2.049
February	112,850,964,619	2,301,921,801	2.040
March	114,287,344,666	2,334,099,020	2.042
April	128,642,545,377	2,568,683,698	1.997
May	134,675,028,768	2,682,980,573	1.992
June	135,380,305,794	2,678,779,036	1.979

Footnotes on p. 653.

TABLE 52.—*Interest paid on the securities issued or guaranteed by the United States Government, classified by tax status, fiscal years 1913 through 1943*

[On basis of public debt accounts, see p. 459]

Fiscal year	Grand total				Special issues to Government agencies and trust funds
	Total	Tax-exempt		Taxable	
		Total	Wholly	Partially	
1913	$22,899,108.08	$22,899,108.08	$22,899,108.08		
1914	22,863,956.70	22,863,956.70	22,863,956.70		
1915	22,902,897.04	22,902,897.04	22,902,897.04		
1916	22,900,313.03	22,900,313.03	22,900,313.03		
1917	24,742,129.42	24,742,129.42	24,742,129.42		
1918	197,526,608.36	197,526,608.36	144,428,106.25	$53,098,502.11	
1919	615,867,337.32	615,867,337.32	72,399,358.41	543,467,978.91	
1920	1,024,024,440.02	1,024,024,440.02	71,378,560.78	952,645,879.24	
1921	996,676,803.75	996,676,803.75	84,817,537.26	911,859,266.49	
1922	989,485,409.93	989,485,409.93	71,961,288.44	917,524,121.49	
1923	1,055,088,486.44	1,055,088,486.44	70,517,091.98	984,571,394.46	
1924	938,740,771.79	938,740,771.79	70,422,193.17	868,318,578.62	
1925	882,014,950.03	881,957,306.19	69,056,550.99	812,900,755.20	$57,643.84
1926	831,469,206.12	827,649,874.62	65,142,335.84	762,507,538.78	3,819,331.50
1927	787,793,764.08	779,456,766.83	64,824,104.36	714,632,662.47	8,336,997.25
1928	731,850,073.89	717,443,778.31	66,097,950.10	651,345,828.21	14,406,295.58
1929	678,980,351.20	662,906,510.45	65,129,844.68	597,776,665.77	16,073,840.75
1930	658,602,154.96	629,632,481.69	67,767,721.14	561,864,760.55	28,969,673.27
1931	610,758,025.42	570,013,183.79	103,241,602.57	466,771,581.22	40,744,841.63
1932	599,722,595.24	588,948,616.31	116,232,545.69	472,716,070.62	10,773,978.93
1933	689,243,011.82	674,708,349.31	202,013,327.75	472,695,021.56	14,534,662.51
1934	759,559,326.33	745,203,326.28	248,717,774.86	496,485,551.42	14,356,000.05
1935	913,052,028.92	895,834,604.93	292,745,100.46	603,089,504.47	17,217,423.99
1936	867,367,943.91	842,027,963.73	262,340,559.32	579,687,404.41	25,339,980.18
1937	985,411,586.18	936,900,876.16	239,014,792.17	697,886,083.99	48,510,710.02
1938	1,041,109,048.36	967,300,236.77	216,374,331.75	750,925,905.02	73,808,811.59
1939	1,055,806,779.72	954,398,628.19	147,000,279.74	807,398,348.45	101,408,151.53
1940	1,151,376,049.80	1,019,528,712.69	104,224,687.26	915,304,025.43	131,847,337.11
1941	1,221,067,348.64	1,060,941,089.18	79,202,618.97	981,738,470.21	$486,589.99	159,639,669.47
1942	1,385,670,031.26	1,020,162,592.31	57,082,739.04	963,079,853.27	166,069,450.57	199,437,988.38
1943	1,895,023,925.26	619,646,480.62	38,251,077.33	581,395,403.29	1,034,093,250.86	241,284,193.78

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TABLE 52.—*Interest paid on the securities issued or guaranteed by the United States Government, classified by tax status, fiscal years 1913 through 1943*—Continued

Fiscal year	U. S. Government				
	Total	Tax-exempt		Taxable	Special issues to Government agencies and trust funds
		Wholly	Partially		
1913	$22,899,108.08	$22,899,108.08			
1914	22,863,956.70	22,863,956.70			
1915	22,902,897.04	22,902,897.04			
1916	22,900,313.03	22,900,313.03			
1917	24,742,129.42	24,742,129.42			
1918	197,526,608.36	144,428,106.25	$53,098,502.11		
1919	615,867,337.32	72,399,358.41	543,467,978.91		
1920	1,024,024,440.02	71,378,560.78	952,645,879.24		
1921	996,676,803.75	84,817,537.26	911,859,266.49		
1922	989,485,409.93	71,961,288.44	917,524,121.49		
1923	1,055,088,486.44	70,517,091.98	984,571,394.46		
1924	938,740,771.79	70,422,193.17	868,318,578.62		
1925	882,014,950.03	69,056,550.99	812,900,755.20		$57,643.84
1926	831,469,206.12	65,142,335.84	762,507,538.78		3,819,331.50
1927	787,793,764.08	64,824,104.36	714,632,662.47		8,336,997.25
1928	731,850,073.89	66,097,950.10	651,345,828.21		14,406,295.58
1929	678,980,351.20	65,129,844.68	597,776,665.77		16,073,840.75
1930	658,602,154.96	67,767,721.14	561,864,760.55		28,969,673.27
1931	610,758,025.42	103,241,602.57	466,771,581.22		40,744,841.63
1932	599,722,595.24	116,232,545.69	472,716,070.62		10,773,978.93
1933	689,243,011.82	202,013,327.75	472,695,021.56		14,534,662.51
1934	757,210,099.33	248,717,774.86	494,136,324.42		14,356,000.05
1935	821,486,422.26	292,745,100.46	511,523,897.81		17,217,423.99
1936	747,896,613.54	262,340,559.32	460,216,074.04		25,339,980.18
1937	866,798,692.94	239,014,792.17	579,273,190.75		48,510,710.02
1938	926,247,272.42	216,374,331.75	636,064,129.08		73,808,811.59
1939	940,958,138.78	147,000,279.74	692,549,707.51		101,408,151.53
1940	1,041,448,261.64	104,224,687.26	805,376,237.27		131,847,337.11
1941	1,110,205,219.13	79,202,618.97	870,876,340.70	$486,589.99	159,639,669.47
1942	1,260,105,096.85	57,082,739.04	850,120,494.20	153,463,875.23	199,437,988.38
1943	1,813,008,496.73	38,251,077.33	514,780,635.93	1,018,692,589.69	241,284,193.78

Fiscal year	Federal instrumentalities: Guaranteed issues		
	Total	Partially tax-exempt	Taxable
1913			
1914			
1915			
1916			
1917			
1918			
1919			
1920			
1921			
1922			
1923			
1924			
1925			
1926			
1927			
1928			
1929			
1930			
1931			
1932			
1933			
1934	$2,349,227.00	$2,349,227.00	
1935	91,565,606.66	91,565,606.66	
1936	119,471,330.37	119,471,330.37	
1937	118,612,893.24	118,612,893.24	
1938	114,861,775.94	114,861,775.94	
1939	114,848,640.94	114,848,640.94	
1940	109,927,788.16	109,927,788.16	
1941	110,862,129.51	110,862,129.51	
1942	125,564,934.41	112,959,359.07	$12,605,575.34
1943	82,015,428.53	66,614,767.36	15,400,661.17

NOTE.—The amount of interest paid includes the increase in the redemption value of United States savings bonds during the year and the discount on unmatured issues of Treasury bills. Interest paid on guaranteed issues does not include about $207,500 paid on Tennessee Valley Authority bonds "issued on the credit of the United States."

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Miscellaneous

TABLE 53.—*Contingent liabilities of the United States, June 30, 1943*

[On basis of daily Treasury statements, [1] see p. 459]

Title	Tax exemption	Rate of interest	Date of issue	Redeemable (on and after)	Payable	Interest payable	Amount of contingent liability [1]		
							Principal	Matured interest [2]	Total
GUARANTEED BY THE UNITED STATES [3]									
UNMATURED OBLIGATIONS									
Commodity Credit Corporation, act of Mar. 8, 1938:		*Percent*							
½% demand obligations	(4)	½	Various		On demand	Quarterly	[5] $68,468,984.52		[5] $68,468,984.52
1⅛% notes, Series G, 1945	(4)	1⅛	July 21, 1941		Feb. 15, 1945	Feb. 15, Aug. 15	411,596,000.00		411,596,000.00
Total							480,064,984.52		[6] 480,064,984.52
Federal Farm Mortgage Corporation, act of Jan. 31, 1934, as amended:									
3% bonds of 1944–49	(7)	3	May 15, 1934	May 15, 1944	May 15, 1949	May 15, Nov. 15	835,085,600.00		835,085,600.00
3¼% bonds of 1944–64	(7)	3¼	Mar. 15, 1934	Mar. 15, 1944	Mar. 15, 1964	Mar. 15, Sept. 15	94,678,600.00		94,678,600.00
Total							929,764,200.00		929,764,200.00
Federal Housing Administration, act of June 27, 1934, as amended:									
Mutual mortgage insurance fund:									
3% debentures, Series A	(8)	3	Various		Various	Jan. 1, July 1	8,048,986.23		8,048,986.23
2¾% debentures, Series B, uncalled.	(8)	2¾	do	(10)	do	do	120,600.00		120,600.00
2¾% debentures, Series B, ninth called.	(8)	2¾	do	(10)	do	do	538,400.00		538,400.00
2¾% debentures, Series E	(8)	2¾	do	(10)	do	do	89,100.00		89,100.00
Housing insurance fund:									
2¾% debentures, Series C	(9)	2¾	do	(10)	do	do	45,900.00		45,900.00
2¾% debentures, Series D., uncalled.	(9)	2¾	do	(10)	do	do	12,996,800.00		12,996,800.00
2¾% debentures, Series D., first called.	(9)	2¾	do	(10)	do	do	1,618,850.00		1,618,850.00
Total							23,458,636.23		23,458,636.23

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Federal Public Housing Authority, act of Sept. 1, 1937, as amended:[11]									
1⅜% notes, Series B, 1944	(12)	1⅜	Feb. 1, 1939		Feb. 1, 1944	Feb. 1, Aug. 1	114,157,000.00		[12] 114,157,000.00
Home Owners' Loan Corporation, act of June 13, 1933, as amended:									
3% bonds, Series A, 1944–52	(14)	3	May 1, 1934	May 1, 1944	May 1, 1952	May 1, Nov. 1	778,577,775.00		778,577,775.00
1½% bonds, Series M, 1945–47	(14)	1½	June 1, 1939	June 1, 1945	June 1, 1947	June 1, Dec. 1	754,904,025.00		754,904,025.00
Total							1,533,481,800.00		[15] 1,533,481,800.00
Reconstruction Finance Corporation, act of Jan. 22, 1932, as amended:									
1⅛% notes, Series V	(16)	1⅛	Apr. 17, 1941		July 15, 1943	Jan. 15, July 15	324,397,000.00		324,397,000.00
1% notes, Series W	(16)	1	July 3, 1941		Apr. 15, 1944	Apr. 15, Oct. 15	571,363,000.00		571,363,000.00
1% notes, Series X–A	(16)	1	Jan. 1, 1943		Jan. 1, 1945	Jan. 1, July 1	115,000,000.00		115,000,000.00
Total							1,010,760,000.00		[17] 1,010,760,000.00
Tennessee Valley Authority, act of May 18, 1933, as amended.[18]							(19)		
United States Maritime Commission, act of June 29, 1936, as amended.[20]									
Total unmatured obligations							4,091,686,620.75		4,091,686,620.75
MATURED OBLIGATIONS									
Commodity Credit Corporation							137,000.00	$6,290.83	143,290.83
Federal Farm Mortgage Corporation							1,939,400.00	1,297,104.68	3,256,504.68
Federal Housing Administration:									
Mutual Mortgage Insurance Fund.							16,250.00	222.92	16,472.92
Federal Public Housing Authority								1,656.93	1,656.93
Home Owners' Loan Corporation							5,862,775.00	1,755,772.70	7,618,547.70
Reconstruction Finance Corporation							281,000.00	3,787.07	284,787.07
Total matured obligations							8,256,425.00	3,064,835.13	11,321,260.13
Total, based on guarantees							4,099,943,045.75	3,064,835.13	4,103,007,880.88
ON CREDIT OF THE UNITED STATES									
Secretary of Agriculture, act of May 12, 1933.[21]									
U. S. Postal Savings System, act of June 25, 1910, as amended, funds due depositors.[22]		2	Date of deposit		On demand	[23]	1,577,525,610.00	45,004,355.96	[24] 1,622,529,965.96
Canal Zone Postal Savings System, act of June 13, 1940, funds due depositors.[22]		2	do		do	[23]	8,181,345.00	149,709.64	[23] 8,331,054.64

Footnotes at end of table.

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TABLE 53.—*Contingent liabilities of the United States, June 30, 1943*—Continued

Title	Tax exemption	Rate of interest	Date of issue	Redeemable (on and after)	Payable	Interest payable	Amount of contingent liability [1]		
							Principal	Matured interest [2]	Total
ON CREDIT OF THE UNITED STATES—Continued									
Tennessee Valley Authority, act of May 18, 1933, as amended:									
2½% bonds, Series A	([26])	2½	Sept. 1, 1938		Sept. 1, 1943 and 1945.	Mar. 1, Sept. 1	$3,000,000.00		
2½% bonds, Series B	([26])	2½	June 15, 1939		June 15, 1959, 1960 and 1961.	June 15, Dec. 15	5,300,000.00		
Total							[27] 8,300,000.00		[27] $8,300,000.00
Total, based on credit of the United States.							1,594,006,955.00	$45,154,065.60	1,639,161,020.60
OTHER OBLIGATIONS									
Federal Reserve notes (face amount), act of Dec. 23, 1913, as amended. [25]									[29]13,818,747,178.89

[1] On basis of public debt accounts, the amounts of outstanding balances of contingent liabilities of the United States, as of June 30, 1943, are as follows:

Agency	Amount of outstanding balances on basis of daily Treasury statement	Items in transit	Amount of outstanding balances on basis of public debt accounts
Commodity Credit Corporation	$480,208,275.35	$1,332.03	$480,206,943.32
Federal Farm Mortgage Corporation	933,020,704.68	45,622.34	932,975,082.34
Federal Housing Administration	23,475,109.15		23,475,109.15
Federal Public Housing Authority	114,158,656.93		114,158,656.93
Home Owners' Loan Corporation	1,541,100,347.70	34,370.47	1,541,065,977.23
Reconstruction Finance Corporation	1,011,044,787.07	250,408.12	1,010,794,378.95
Total	4,103,007,880.88	331,732.96	4,102,676,147.92

[2] Funds have been deposited with the Treasurer of the United States for payment of outstanding matured principal and interest.
[3] The obligations listed hereunder are unconditionally guaranteed as to principal and interest.
[4] Income derived from these securities is subject to all Federal taxes, now or hereafter imposed. The securities are subject to surtaxes, estate, inheritance, gift, or other excise taxes, whether Federal or State, but are exempt from all taxation now or hereafter imposed on the principal or interest thereof by any State, municipality, or local taxing authority.
[5] Includes $9,303,984.52 representing drafts paid for the account of the Commodity Credit Corporation against letters of credit.
[6] Does not include $300,000,000 face amount of 1% interim notes, 7th Series, $500,000,000 face amount of 1% interim notes, 8th Series, $900,000,000 face amount of 1% interim notes Series, and $250,000,000 face amount of 1% interim notes, 10th Series, all maturing June 30, 1944, held by the Treasury and reflected in the public debt. The above notes held by the Treasury include $1,250,000,000 temporary borrowings during the month of June 1943, repaid in July 1943.

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[7] Bonds and the income derived therefrom exempt from Federal, State, municipal, and local taxation (except surtaxes, estate, inheritance, and gift taxes).

[8] The National Housing Act as amended by the National Housing Act Amendments of 1938, approved Feb. 3, 1938, reads in part as follows: "Such debentures as are issued in exchange for property covered by mortgages insured under section 203 or section 207 prior to the date of enactment of the National Housing Act Amendments of 1938 shall be subject only to such Federal, State, and local taxes as the mortgages in exchange for which they are issued would be subject to in the hands of the holder of the debentures. * * * Such debentures as are issued in exchange for property covered by mortgages insured after the date of enactment of the National Housing Act Amendments of 1938 shall be exempt, both as to principal and interest, from all taxation (except surtaxes, estate, inheritance, and gift taxes) now or hereafter imposed by the United States, by any Territory, dependency, or possession thereof, or by any State, county, municipality, or local taxing authority." Under the Public Debt Act of 1941 interest upon and gain from the sale of debentures shall have no exemption under Federal tax acts now or hereafter enacted, except such debentures as may be issued on contracts entered into prior to Mar. 1, 1941.

[9] With reference to the debentures issued prior to Mar. 1, 1941, in the name of the housing insurance fund, the National Housing Act Amendments of 1938, approved Feb. 3, 1938, states that "Such debentures as are issued in exchange for mortgages insured after the date of enactment of the National Housing Act Amendments of 1938 shall be exempt, both as to principal and interest, from all taxation (except surtaxes, estate, inheritance, and gift taxes) now or hereafter imposed by the United States, by any Territory, dependency, or possession thereof, or by any State, county, municipality, or local taxing authority." Under the Public Debt Act of 1941 interest upon and gain from the sale of debentures shall have no exemption under Federal tax acts now or hereafter enacted, except such debentures as may be issued on contracts entered into prior to Mar. 1, 1941.

[10] Redeemable on any interest day or days, on 3 months' notice.

[11] Formerly United States Housing Authority. Pursuant to Executive Order No. 9070, effective Feb. 24, 1942, the functions of the United States Housing Authority were transferred to the Federal Public Housing Authority of the National Housing Agency.

[12] Exempt, both as to principal and interest, from all taxation (except surtaxes, estate, inheritance, and gift taxes) now or hereafter imposed by the United States or by any State county, municipality, or local taxing authority.

[13] Does not include $283,000,000 face amount of 1% notes, Series K, due June 30, 1944, held by the Treasury and reflected in the public debt.

[14] Exempt, both as to principal and interest, from all taxation (except surtaxes, estate, inheritance, and gift taxes) now or hereafter imposed by the United States or any district, Territory, dependency, or possession thereof, or by any State, county, municipality, or local taxing authority.

[15] Does not include $212,000,000 (of which $16,000,000 was in transit for redemption) face amount of 1% bonds, Series Q, due July 1, 1943, held by the Treasury and reflected in the public debt.

[16] Income derived from these securities is subject to all Federal taxes now or hereafter imposed. The securities are subject to estate, inheritance, gift, or other excise taxes, whether Federal or State, but are exempt from all taxation now or hereafter imposed on the principal or interest thereof by any Territory, dependency, or possession of the United States, or by any State, county, municipality, or local taxing authority.

[17] Does not include $4,648,372,123.79 face amount of 1% notes, Series X, due Jan. 1, 1945, and $385,000,000 face amount of 1% notes, Series X-A, due Jan. 1, 1945, held by the Treasury and reflected in the public debt.

[18] Under section 15c of the Tennessee Valley Authority Act of 1933, as amended by the act of July 26, 1939, the Tennessee Valley Authority is authorized to issue bonds not to exceed in the aggregate $61,500,000, having a maturity of not more than 50 years from the date of issue, and bearing interest not to exceed 3½% per annum.

[19] The following bonds having an aggregate face amount of $56,772,500 issued under the Tennessee Valley Authority Act of 1933, as amended, are held by the Treasury and reflected in the public debt: Under section 15a, 2⅛% bonds, Series A, due Dec. 15, 1948, $272,500; under section 15c, 1¾% bonds of 1943–51, $10,000,000; 2¼% bonds of 1947–57, $15,000,000; 2⅜% bonds of 1951–63, $15,000,000; 2½% bonds of 1955–69, $16,500,000. Interest at the rate of 1% per annum is paid on the bonds issued under section 15c while they are held by the Treasury.

[20] Debentures authorized to be issued by the United States Maritime Commission under the Merchant Marine Act, 1936, as amended.

[21] The Secretary of Agriculture is authorized pursuant to act of May 12, 1933, to borrow money upon all cotton in his possession or control and deposit as collateral for such loans warehouse receipts for such cotton.

[22] The faith of the United States is solemnly pledged to the payment of the deposits made in postal savings depositary offices, with accrued interest thereon.

[23] Interest payable quarterly from first day of month next following the date of deposit.

[24] Amount shown is as of June 30, 1943, which figure was not available for use in the statement published in the daily Treasury statement of July 1, 1943. Offset by cash in designated depositary banks amounting to $11,879,741.01 which is secured by the pledge of collateral as provided in the Regulations of the Postal Savings System, having a face value of $14,092,000; cash in possession of System amounting to $130,914,787.04; Government and Government-guaranteed securities with a face value of $1,482,568,580; and other assets.

[25] Amount shown is as of June 30, 1943, which figure was not available for use in the statement published in the daily Treasury statement of July 1, 1943. Offset by cash on hand and in depositary banks amounting to $793,880.46; Government and other securities with a face value of $7,875,115; and other assets.

[26] Bonds which have been issued by the Tennessee Valley Authority on the credit of the United States as provided in section 15 of the Tennessee Valley Authority Act of 1933, as amended, have all the rights and privileges accorded by law to Panama Canal bonds authorized by section 8 of the act of June 28, 1902, chapter 1302, as amended by the act of Dec. 21, 1905 (ch. 3, sec. 1, 34 Stat. 5), as now compiled in section 743 of title 31 of the United States Code.

[27] Held by the Reconstruction Finance Corporation.

[28] Federal Reserve notes are obligations of the United States and shall be receivable by all national and member banks and Federal Reserve Banks and for all taxes, customs, and other public dues. They are redeemable in lawful money on demand at the Treasury Department, in Washington, D. C., or at any Federal Reserve Bank.

[29] Amount shown is as of June 30, 1943, which figure was not available for use in the statement published in the daily Treasury statement of July 1, 1943. Amount shows actual circulation, exclusive of $53,673,826.11 redemption fund deposited in the Treasury and $531,753,095 of their own Federal Reserve notes held by the issuing banks. The collateral security for Federal Reserve notes issued consists of $13,862,000,000 in gold certificates and in credits with the Treasurer of the United States payable in gold certificates, $743,833,000 face amount of United States Government securities and $4,835,000 face amount of commercial paper.

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TABLE 54.—*Contingent liabilities of the United States as of June 30, 1934 through 1943*

[In thousands of dollars. On basis of daily Treasury statements,[1] see p. 459]

Agency	Obligation	Face amount of contingent liability									
		June 30, 1934	June 30, 1935	June 30, 1936	June 30, 1937	June 30, 1938	June 30, 1939	June 30, 1940	June 30, 1941	June 30, 1942	June 30, 1943 [1]
GUARANTEED BY THE UNITED STATES											
UNMATURED OBLIGATIONS											
Commodity Credit Corporation	Notes					206,174	206,174	406,794	696,252	701,054	480,065
Federal Farm Mortgage Corporation	Bonds	311,634	1,225,599	1,422,185	1,422,191	1,409,760	1,379,410	1,269,388	1,269,388	929,764	929,764
Federal Housing Administration:											
Mutual mortgage insurance fund	Debentures				90	583	2,634	5,477	8,049	8,620	8,797
Housing insurance fund	do							2,024	9,304	12,844	14,662
Federal Public Housing Authority [2]	Notes						114,157	114,157	226,256	114,157	114,157
Home Owners' Loan Corporation	Bonds	134,319	2,647,314	3,044,218	2,987,079	2,937,169	2,927,949	2,603,360	2,408,921	1,562,806	1,533,482
Reconstruction Finance Corporation	Notes	234,815	249,772	251,630	255,235	298,873	819,689	1,096,357	1,741,449	1,219,251	1,010,760
Total unmatured obligations		680,768	4,122,685	4,718,033	4,664,595	4,852,559	5,450,013	5,497,557	6,359,619	4,548,496	4,091,687
MATURED OBLIGATIONS											
Commodity Credit Corporation										42	137
Federal Farm Mortgage Corporation								354	142	13,946	1,959
Federal Housing Administration:											
Mutual mortgage insurance fund									26	13	16
Federal Public Housing Authority [2]										5	
Home Owners' Loan Corporation					10	233	821	30,906	10,396	5,289	5,863
Reconstruction Finance Corporation										401	281
Total matured obligations					10	233	821	31,259	10,564	19,696	8,256
Total, based on guarantees		680,768	4,122,685	4,718,033	4,664,605	4,852,792	5,450,834	5,528,816	6,370,183	4,568,192	4,099,943
ON CREDIT OF THE UNITED STATES											
Secretary of Agriculture	Notes	58,487	45,000								
U. S. Postal Savings System	Funds due depositors.	1,197,987	1,204,932	1,231,747	1,267,750	1,251,875	1,262,370	1,293,504	1,309,447	[3] 1,481,865	[4] 1,577,526

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Canal Zone Postal Savings Sytem	do							2,238	3,153	5,772	[4] 8,181
Tennessee Valley Authority [5]	Bonds						8,300	8,300	8,300	8,300	8,300
Total, based on credit of the United States.		1,256,473	1,249,932	1,231,747	1,267,750	1,251,875	1,270,670	[6] 1,304,043	[6] 1,320,900	1,495,936	1,594,007
OTHER OBLIGATIONS											
Federal Reserve System	Federal Reserve notes.	3,325,265	3,234,959	4,021,533	4,196,007	4,139,148	4,502,273	5,188,054	6,714,688	9,361,095	[4] 13,818,747

NOTE.—These amounts do not include any matured interest for which funds have been deposited with the Treasurer of the United States for payment. Figures are rounded to nearest thousand and will not necessarily add to totals.

[1] Figures prior to the fiscal year 1943 are on basis of public debt accounts. For reconciliation to basis of public debt accounts for the fiscal year 1943, see note 1, table 53.
[2] Formerly U. S. Housing Authority. Pursuant to Executive Order No. 9070, effective Feb. 24, 1942, the functions of the U. S. Housing Authority were transferred to the Federal Public Housing Authority of the National Housing Agency.
[3] Amount shown is as of June 30, 1942, amount shown on the June 30, 1942, Public Debt Statement is as of Mar. 31, 1942.
[4] Amount shown is as of June 30, 1943, which figure was not available for use in the statement published in the daily Treasury statement of July 1, 1943.
[5] Bonds held by the Reconstruction Finance Corporation.
[6] Includes the liability of the Canal Zone Postal Savings System.

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TABLE 55.—*Average yield on long-term Treasury bonds, by months, January 1919 through June 1943* [1]

[Averages of daily figures. Percent per annum]

Year	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Average
	PARTIALLY TAX-EXEMPT BONDS [2]												
1919	4.63	4.70	4.73	4.72	4.67	4.69	4.72	4.78	4.73	4.71	4.81	4.90	4.73
1920	4.93	5.05	5.09	5.28	5.58	5.54	5.57	5.67	5.43	5.08	5.21	5.40	5.32
1921	5.23	5.28	5.27	5.24	5.25	5.27	5.26	5.22	5.12	4.83	4.64	4.47	5.09
1922	4.45	4.50	4.41	4.28	4.26	4.24	4.14	4.12	4.19	4.30	4.33	4.32	4.30
1923	4.32	4.33	4.38	4.39	4.37	4.34	4.34	4.35	4.36	4.40	4.37	4.35	4.36
1924	4.30	4.28	4.28	4.23	4.15	3.98	3.94	3.91	3.92	3.87	3.90	3.96	4.06
1925	3.96	3.95	3.96	3.93	3.87	3.79	3.79	3.85	3.85	3.82	3.79	3.80	3.86
1926	3.77	3.71	3.71	3.70	3.67	3.67	3.68	3.70	3.70	3.68	3.62	3.56	3.68
1927	3.51	3.48	3.37	3.35	3.31	3.34	3.36	3.32	3.30	3.29	3.23	3.17	3.34
1928	3.18	3.19	3.17	3.20	3.24	3.29	3.42	3.48	3.46	3.47	3.38	3.45	3.33
1929	3.52	3.62	3.74	3.64	3.64	3.69	3.64	3.71	3.70	3.61	3.35	3.36	3.00
1930	3.43	3.41	3.29	3.37	3.31	3.25	3.25	3.26	3.24	3.21	3.19	3.22	3.29
1931	3.20	3.30	3.27	3.26	3.16	3.13	3.15	3.18	3.25	3.63	3.63	3.93	3.34
1932	4.26	4.11	3.92	3.68	3.76	3.76	3.58	3.45	3.42	3.43	3.45	3.35	3.68
1933	3.22	3.31	3.42	3.42	3.30	3.21	3.20	3.21	3.19	3.22	3.46	3.53	3.31
1934	3.50	3.32	3.20	3.11	3.02	2.98	2.92	3.03	3.20	3.10	3.07	3.01	3.12
1935	2.88	2.79	2.77	2.74	2.72	2.72	2.69	2.76	2.85	2.85	2.83	2.83	2.79
1936	2.80	2.77	2.71	2.68	2.66	2.66	2.65	2.61	2.60	2.62	2.53	2.51	2.65
1937	2.47	2.46	2.60	2.80	2.76	2.76	2.72	2.72	2.77	2.76	2.71	2.67	2.68
1938	2.65	2.64	2.64	2.62	2.51	2.52	2.52	2.51	2.58	2.48	2.50	2.49	2.56
1939	2.47	2.44	2.34	2.30	2.17	2.13	2.16	2.21	2.65	2.60	2.46	2.35	2.36
1940	2.30	2.32	2.25	2.25	2.38	2.39	2.28	2.25	2.18	2.10	1.97	1.89	2.21
1941	1.99	2.10	2.01	1.96	1.92	1.91	1.90	1.94	1.94	1.88	1.85	1.96	1.95
1942	2.01	2.09	2.00	1.98	1.97	1.97	2.00	2.02	2.03	2.05	2.06	2.09	2.02
1943	2.06	2.06	2.08	2.02	1.92	1.85							
	TAXABLE BONDS [3]												
1941										2.23	2.22	2.37	
1942	2.37	2.39	2.35	2.34	2.35	2.33	2.34	2.34	2.34	2.33	2.34	2.36	2.35
1943	2.32	2.32	2.33	2.32	2.30	2.29							

[1] For bonds selling above par and callable at par before maturity, the yields are computed on the basis of redemption at first call date; while for bonds selling below par, yields are computed to maturity. Monthly averages are averages of daily figures. Each daily figure is an unweighted average of the yields of the individual issues. Prior to Sept. 1, 1941, yields were computed on the basis of the day's closing price on the New York Stock Exchange except that on days when an issue did not sell the yield was computed on the mean of closing bid and ask quotations on the Stock Exchange. Commencing Sept. 1, 1941, yields are computed on the basis of the mean of closing bid and ask quotations in the over-the-counter market. The table below shows the issues of Treasury bonds which were included in the above averages.

Issue	Date bond is first included in average	Date bond is first excluded from average
PARTIALLY TAX-EXEMPT BONDS		
First Liberty loan converted 4¼% of 1932–47	Jan. 1, 1919	June 16, 1924
Second Liberty loan converted 4¼% of 1927–42	do	Nov. 15, 1919
Third Liberty loan 4¼% of 1928	do	Sept. 15, 1920
Fourth Liberty loan 4¼% of 1933–38	do	Oct. 15, 1925
Treasury bonds:		
1947–52, 4¼%	Nov. 1, 1922	Oct. 15, 1935
1944–54, 4%	Dec. 15, 1924	Dec. 15, 1932
1946–56, 3¾%	Mar. 15, 1926	Mar. 15, 1934
1943–47, 3⅜%	July 12, 1927	June 15, 1931
1946–49, 3½%	June 15, 1931	June 15, 1934
1951–55, 3%	Sept. 15, 1931	Sept. 15, 1939
1949–52, 3⅛%	Dec. 15, 1934	Dec. 15, 1937
1955–60, 2¾%	Mar. 15, 1935	Mar. 15, 1943
1951–54, 2¾%	June 15, 1936	June 15, 1939
1956–59, 2¾%	Sept. 15, 1936	
1949–53, 2½%	Dec. 15, 1936	Dec. 15, 1937
1958–63, 2¾%	June 15, 1938	
1960–65, 2¾%	Dec. 15, 1938	
1954–56, 2¼%	July 22, 1940	June 15, 1942
1953–55, 2%	Oct. 7, 1940	June 15, 1941
TAXABLE BONDS		
Treasury bonds:		
1956–58, 2½%	Oct. 20, 1941	
1967–72, 2½%	do	

[2] From Jan. 1, 1919, through Oct. 14, 1925, yields are based on all outstanding partially tax-exempt Treasury bonds neither due nor callable for 8 years; from July 17, 1928, yields are based on all outstanding partially tax-exempt Treasury bonds neither due nor callable for 12 years; for the period from Oct. 15, 1925, through July 16, 1928, there were no bonds with 8 or more but less than 12 years to earliest call date. During the period Jan. 1, 1919, through Oct. 14, 1925, the average included certain Liberty loan issues.

[3] Average of taxable Treasury bonds of unrestricted negotiability neither due nor callable for 12 years. Taxable bonds are those the interest on which is subject to both the normal and surtax rates of the Federal income tax. This average commenced Oct. 20, 1941.

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TABLE 56.—*Prices and yields of public marketable securities issued or guaranteed by the United States, June 30, 1942, and June 30, 1943, and price ranges since dates of issue* [1]

[Price decimals are thirty-seconds]

Issue	June 30, 1942				June 30, 1943				Price range since date of issue			
	Price		Yield to—		Price		Yield to —		High		Low	
	Bid	Ask	Call	Maturity	Bid	Ask	Call	Maturity	Price	Date	Price	Date
	Securities issued by the United States Government											
Treasury bonds:												
3⅜%, June 15, 1943-47 [2]	102.19	102.21	0.62	2.80								
3¼%, Oct. 15, 1943-45 [3]	103.06	103.09	.71	2.22	100.28+	100.29+	0.12		111.07	June 5, 1939	97.29	Jan. 10, 1934
3¼%, Apr. 15, 1944-46	104.07	104.09	.85	2.08	102.05	102.06	.47	2.43	111.26	June 7, 1939	99.30	Sept. 17, 1934
4%, Dec. 15, 1944-54	107.11	107.13	.95	3.27	104.29	104.31	.59	3.47	116.19	June 22, 1939	94.06	Jan. 11, 1932
2¾%, Sept. 15, 1945-47	105.13	105.15	1.02	1.66	104.15	104.17	.69	1.64	110.12	Dec. 12, 1940	99.27	Sept. 17, 1935
2½%, Dec. 15, 1945	105.01	105.03	1.01		104.11	104.13	.70		109.24	Dec. 14, 1940	101.31	Dec. 15, 1937
3¾%, Mar. 15, 1946-56	109.07	109.10	1.19	2.93	107.22	107.24	.86	3.01	116.14	Dec. 14, 1940	89.18	Jan. 12, 1932
3%, June 15, 1946-48	107.01	107.04	1.17	1.75	106.05	106.07	.88	1.69	112.28	Dec. 16, 1940	97.28	Sept. 17, 1934
3⅛%, June 15, 1946-49	107.14	107.16	1.19	1.97	106.16	106.18	.88	1.96	113.19	Dec. 14, 1940	83.05	Jan. 11, 1932
4¼%, Oct. 15, 1947-52	115.04	115.07	1.27	2.56	113.20	113.22	.99	2.59	122.22	Dec. 14, 1940	98.18	Oct. 8, 1923
2%, Dec. 15, 1947	104.12	104.14	1.16		104.15	104.17	.97		107.20	Dec. 12, 1940	99.14	Sept. 25, 1939
2%, Mar. 15, 1948-50	101.11	101.14	1.75	1.81	102.04	102.06	1.52	1.66	104.05	Aug. 2, 1941	100.22	Feb. 25, 1941
2¾%, Mar. 15, 1948-51	107.18	107.21	1.36	1.80	107.17	107.19	1.10	1.70	111.18	Dec. 12, 1940	99.10	Apr. 1, 1937
1¾%, June 15, 1948					101.07	101.09	1.49		101.08	June 30, 1943	100.01	Dec. 23, 1942
2½%, Sept. 15, 1948	106.28	106.30	1.34		107.05	107.07	1.08		111.01	Dec. 12, 1940	100.30	Apr. 2, 1938
2%, Dec. 15, 1948-50	104.12	104.15	1.28	1.44	104.25	104.27	1.09	1.32	107.00	Dec. 12, 1940	101.10	May 24, 1940
2%, June 15, 1949-51	100.22	100.24	1.89	1.91	101.12	101.14	1.75	1.81	101.13	June 30, 1943	100.06	Aug. 5, 1942
2%, Sept. 15, 1949-51	100.19	100.21	1.91	1.93	101.10	101.12	1.77	1.82	101.11	June 30, 1943	100.04	Oct. 6, 1942
2%, Dec. 15, 1949-51					101.07	101.09	1.79	1.84	101.09	June 29, 1943	100.03	Aug. 5, 1942
3⅛%, Dec. 15, 1949-52	110.21	110.23	1.60	1.99	111.12	111.14	1.28	1.81	115.04	Dec. 12, 1940	101.07	Dec. 15, 1934
2½%, Dec. 15, 1949-53	106.15	106.18	1.57	1.87	107.12	107.14	1.30	1.72	108.28	Dec. 10, 1940	96.19	Apr. 8, 1937
2%, Mar. 15, 1950-52					101.01	101.03	1.83	1.87	101.03	June 29, 1943	100.01	Nov. 2, 1942
2½%, Sept. 15, 1950-52	106.27	106.29	1.60	1.76	107.31	108.01	1.33	1.56	108.30	Dec. 10, 1940	99.15	Sept. 25, 1939
2%, Sept. 15, 1950-52					100.29	100.31	1.86	1.89	100.31	June 29, 1943	100.08	May 3, 1943
2¼%, June 15, 1951-54	108.21	108.23	1.70	1.93	110.02	110.04	1.40	1.73	110.26	Nov. 12, 1941	98.16	Apr. 1, 1937
3%, Sept. 15, 1951-55	110.19	110.22	1.75	2.08	112.03	112.05	1.43	1.88	113.24	Dec. 30, 1940	82.08	Jan. 11, 1932
2¼%, Dec. 15, 1951-53	105.05	105.07	1.66	1.75	106.29	106.31	1.38	1.53	107.01	Nov. 22, 1941	101.08	May 24, 1940
2%, Dec. 15, 1951-55	100.09	100.11	1.96	1.97	100.29	100.31	1.88	1.92	101.16	Dec. 5, 1941	100.01	Dec. 5, 1942
2½%, Mar. 15, 1952-54	103.31	104.01	2.04	2.11	104.13	104.15	1.94	2.04	106.16	Aug. 2, 1941	101.04	Mar. 20, 1941
2¼%, June 15, 1952-55	101.03	101.06	2.12	2.15	102.09	102.11	1.97	2.03	102.10	June 30, 1943	100.16	Feb. 18, 1942
2%, June 15, 1953-55	103.16	103.18	1.65	1.70	105.13	105.15	1.41	1.50	105.14	June 30, 1943	101.19	Feb. 15, 1941
2¼%, June 15, 1954-56	105.11	105.13	1.75	1.81	107.09	107.11	1.52	1.62	107.10	June 30, 1943	102.02	July 24, 1940
2⅞%, Mar. 15, 1955-60	110.11	110.13	1.95	2.17	112.21	112.23	1.68	1.98	112.22	June 30, 1943	98.30	Sept. 20, 1935
2½%, Mar. 15, 1956-58	102.30	103.00	2.25	2.27	104.11	104.13	2.11	2.15	105.08	Nov. 5, 1941	101.30	Dec. 26, 1941

Footnotes at end of table.

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TABLE 56.—*Prices and yields of public marketable securities issued or guaranteed by the United States June 30, 1942, and June 30, 1943, and price ranges since dates of issue* [1]—Continued

[Price decimals are thirty-seconds]

Issue	June 30, 1942				June 30, 1943				Price range since date of issue			
	Price		Yield to—		Price		Yield to —		High		Low	
	Bid	Ask	Call	Maturity	Bid	Ask	Call	Maturity	Price	Date	Price	Date
	Securities issued by the United States Government—Continued											
Treasury bonds—Continued.												
2¾%, Sept. 15, 1956-59	109.19	109.21	1.97	2.08	112.05	112.07	1.72	1.88	112.06	June 30, 1943	98.10	Apr. 1, 1937
2¾%, June 15, 1958-63	109.27	109.30	2.02	2.16	112.05	112.07	1.82	2.01	112.06	June 30, 1943	99.15	Sept. 25, 1939
2¾%, Dec. 15, 1960-65	110.11	110.14	2.07	2.18	112.21	112.23	1.89	2.04	112.24	Nov. 1, 1941	99.14	Sept. 25, 1939
2½%, June 15, 1962-67					100.29	100.31	2.44	2.45	101.01	May 29, 1943	100.00	Aug. 17, 1942
2½%, Dec. 15, 1963-68					100.17	100.19	2.47	2.47	100.26	June 1, 1943	100.01	Dec. 24, 1942
2½%, June 15, 1964-69					100.14	100.16	2.47	2.48	100.20	June 2, 1943	100.05	May 3, 1943
2½%, Sept. 15, 1967-72	101.00	101.02	2.45	2.45	101.01	101.03	2.44	2.45	103.15	Nov. 5, 1941	100.01	Jan. 2, 1942
Treasury notes:												
2% B, Sept. 15, 1942	100.15	100.17	4 3/32									
1¾% C, Dec. 15, 1942	100.23	100.25	.11									
¾% D, Mar. 15, 1943	100.05	100.08	.48									
1⅛%A, June 15, 1943	100.24	100.26	.31									
1%C, Sept. 15, 1943	100.24	100.26	.35		100.04+	100.05+	.24		102.15	Nov. 8, 1940	100.05	June 30, 1943
1⅛% B, Dec. 15, 1943	101.02	101.04	.37		100.13	100.15	.17		103.08	Apr. 2, 1940	98.30	Sept. 6, 1939
1% B, Mar. 15, 1944	100.29	100.31	.45		100.17	100.19	.20		102.15	Nov. 9, 1940	100.13	June 10, 1940
¾% A, June 15, 1944	100.14	100.17	.49		100.15	100.17	.23		101.15	Sept. 27, 1941	97.16	Sept. 6, 1939
1% C, Sept. 15, 1944	101.01	101.03	.52		100.30	101.00	.20		102.16	Dec. 9, 1940	100.10	June 11, 1940
¾% D, Sept. 15, 1944	99.23	99.25	.86		100.01	100.03	.70		100.21	Sept. 10, 1941	99.11	Dec. 10, 1941
¾% A, Mar. 15, 1945	100.14	100.17	.56		100.24	100.26	.29		101.16	Aug. 6, 1941	98.26	June 10, 1940
1¼% C, Mar. 15, 1945					100.19	100.21	.88		100.20	June 30, 1943	100.00	Oct. 30, 1942
⅞% B, Dec. 15, 1945	99.10	99.13	.93		99.25	99.27	.83		100.18	Sept. 9, 1941	98.28	Oct. 6, 1942
1% A, Mar. 15, 1946	99.13	99.15	1.16		100.00	100.02	.99		100.18	Oct. 25, 1941	99.02	Dec. 29, 1942
1½% B, Dec. 15, 1946	100.10	100.12	1.42		100.22	100.24	1.29		100.23	June 30, 1943	100.01	Jan. 2, 1943
1½% A, Sept. 15, 1947					100.16	100.18	1.37		100.17	June 30, 1943	100.17	June 30, 1943
Certificates of indebtedness: [5]												
½% A, Nov. 1, 1942	100.015	100.019	.45									
⅝% A, Feb. 1, 1943	100.007	100.011	.61									
									Percent		*Percent*	
⅞% B, Aug. 1, 1943					.40	.35	.38		0.38	June 30, 1943	0.85	Aug. 11, 1942
⅞% D, Nov. 1, 1943					.55	.53	.54		.54	June 30, 1943	.84	Oct. 29, 1942
⅞% E, Dec. 1, 1943					.57	.55	.56		.56	June 30, 1943	.86	Dec. 26, 1942
⅞% A, Feb. 1, 1944					.65	.63	.64		.63	June 26, 1943	.82	Jan. 25, 1943
⅞% B, Apr. 1, 1944					.69	.67	.68		.67	June 26, 1943	.82	May 4, 1943
⅞% C, May 1, 1944					.69	.67	.68		.67	June 26, 1943	.82	May 4, 1943

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	Securities guaranteed by the United States Government[6]											
Federal Farm Mortgage Corporation bonds:												
3¼%, Mar. 15, 1944–64	103.28	103.31	.92	3.00	101.28	101.30	.54	3.12	110.07	June 8, 1939	98.02	Sept. 18, 1934
3%, May 15, 1944–49	103.28	103.31	.87	2.38	102.04+	102.05+	.52	2.60	109.22	June 5, 1939	95.03	Sept. 12, 1934
Home Owners' Loan Corporation bonds:												
2¼% G, July 1, 1942–44[7]	100.00		.00									
3% A, May 1, 1944–52	103.26	103.28	.88	2.56	102.01+	102.02+	.52	2.74	109.18	June 6, 1939	95.03	Sept. 12, 1934
1½% M, June 1, 1945–47	101.15	101.17	.98	1.19	101.14	101.16	.73	1.12	103.26	Dec. 13, 1940	96.24	Sept. 25, 1939
Reconstruction Finance Corporation notes:												
1% S, July 1, 1942	100.00		.00									
⅞% U, Oct. 15, 1942	100.07	100.09	.01									
1⅛% V, July 15, 1943[8]	100.12	100.14	.73		.50	.20	.35		101.05	Sept. 10, 1941	100.01	June 30, 1943
1% W, Apr. 15, 1944	100.00	100.02	.98		100.07	100.09	.68		100.26	Aug. 5, 1941	99.25	Dec. 27, 1941
Federal Public Housing Authority notes:												
1⅛% B, Feb. 1, 1944	100.31	101.01	.74		100.15	100.17	.52		103.02	Dec. 14, 1940	99.07	Sept. 25, 1939
Commodity Credit Corporation notes:												
¾% F, May 1, 1943	100.06	100.08	.49									
1⅛% G, Feb. 15, 1945	100.00	100.02	1.11		100.09	100.11	.93		101.00	Sept. 2, 1941	99.25	Dec. 27, 1941

[1] Prices on June 30 are closing bid and ask quotations in the over-the-counter market as compiled by the Federal Reserve Bank of New York. Prices in the range columns are mean of closing bid and ask quotations in the over-the-counter market except that Treasury bond prices prior to Oct. 1, 1939, and guaranteed bond prices prior to Oct. 1, 1939, are closes on the New York Stock Exchange. "When issued" prices are included in price range beginning Oct. 1, 1939. Dates of highs and lows, in case of recurrence, are the latest dates. Yields are percent per annum, computed to call date when prices are above par; to maturity date when prices are below par. For a description of each issue outstanding on June 30, 1943, and the amount outstanding see tables 22 and 53, pp. 547 and 656, respectively.

[2] Called on Feb. 14, 1943, for redemption on June 15, 1943.

[3] Called on June 7, 1943, for redemption on Oct. 15, 1943.

[4] Excess of price over zero yield.

[5] Quoted on a yield basis since Nov. 12, 1942; prior price quotations have been converted to yields for back figures in price range. Prices on June 30, 1942, are true decimals.

[6] Excludes Federal Housing Administration debentures and issues held entirely by Government agencies.

[7] Called on May 1, 1942, for redemption on July 1, 1942.

[8] Quoted on a yield basis since June 22, 1943, and converted to price basis in range columns.

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CONDITION OF THE TREASURY EXCLUSIVE OF PUBLIC DEBT LIABILITIES

TABLE 57.—*Current assets and liabilities of the Treasury at the close of the fiscal years 1942 and 1943*

[On basis of daily Treasury statements, see p. 459]

	1942	1943	Increase or decrease (−)
GOLD			
Assets: Gold	$22,736,503,160.69	$22,387,455,751.05	−$349,047,409.64
Liabilities:			
Gold certificates [1]	2,874,873,889.00	2,872,611,179.00	−2,262,710.00
Gold certificate fund—Board of Governors, Federal Reserve System	17,735,182,989.18	17,355,271,025.68	−379,911,963.50
Redemption fund—Federal Reserve notes	15,219,752.45	53,673,826.11	38,454,073.66
Gold reserve [2]	156,039,430.93	156,039,430.93	
Exchange stabilization fund	1,800,000,000.00	1,800,000,000.00	
Gold in General Fund	155,187,099.13	149,860,289.33	−5,326,809.80
Total	22,736,503,160.69	22,387,455,751.05	−349,047,409.64
SILVER			
Assets:			
Silver bullion (monetary value)	1,505,843,708.14	1,519,745,773.72	13,902,065.58
Silver dollars	478,828,929.00	453,449,464.00	−25,379,465.00
Total	1,984,672,637.14	1,973,195,237.72	−11,477,399.42
Liabilities:			
Silver certificates outstanding [1]	1,968,120,065.00	1,916,535,702.00	−51,584,363.00
Treasury notes of 1890 outstanding [1]	1,157,822.00	1,154,822.00	−3,000.00
Silver in General Fund	15,394,750.14	55,504,713.72	40,109,963.58
Total	1,984,672,637.14	1,973,195,237.72	−11,477,399.42
GENERAL FUND			
Assets:			
In Treasury offices:			
Gold (as above)	155,187,099.13	149,860,289.33	−5,326,809.80
Silver:			
At monetary value (as above)	15,394,750.14	55,504,713.72	40,109,963.58
Subsidiary coin	13,372,259.35	37,742,577.95	24,370,318.60
Bullion:			
At recoinage value	1,664.00	224,614.99	222,950.99
At cost value [3]	660,289,426.81	592,134,843.38	−68,154,583.43
Minor coin	7,403,986.51	4,632,113.62	−2,771,872.89
United States notes	2,096,305.00	2,721,870.00	625,565.00
Federal Reserve notes	42,678,542.50	66,526,165.00	23,847,622.50
Federal Reserve Bank notes	153,032.50	1,099,163,00	946,130.50
National bank notes	383,502.00	634,020.50	250,518.50
Unclassified—collections, etc	25,129,500.34	56,016,923.06	30,887,422.72
Subtotal	922,090,068.28	967,097,294.55	45,007,226.27
Deposits in:			
Federal Reserve Banks:			
To credit of Treasurer of the United States	550,719,576.31	885,709,011.15	334,989,434.84
In transit	52,226,492.46	152,346,648.84	100,120,156.38
Subtotal	602,946,068.77	1,038,055,659.99	435,109,591.22
Special depositaries account of sales of Government securities	1,678,598,000.00	7,667,272,000.00	5,988,674,000.00
National and other bank depositaries (except foreign):			
To credit of Treasurer of the United States	68,534,553.12	227,764,363.56	159,229,810.44
To credit of other Government officers	115,338,413.12	167,482,374.43	52,143,961.31
Subtotal	183,872,966.24	395,246,737.99	211,373,771.75

[1] Does not include amounts held in Treasury offices and by Federal Reserve Banks and agents in custody for the Treasurer of the United States. See table on p. 215.

[2] Reserve against United States notes ($346,681,016 in 1942 and 1943) and Treasury notes of 1890 outstanding ($1,157,822 in 1942 and $1,154,822 in 1943). Treasury notes of 1890 are also secured by silver dollars in the Treasury.

[3] Represents 1,358,005,484.8 ozs. on June 30, 1942, and 1,254,204,107.8 ozs. on June 30, 1943, of which 4,817,828.8 ozs. and 699,819,332.8 ozs., respectively, were held by the Defense Plant Corporation, etc.

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TABLE 57.—*Current assets and liabilities of the Treasury at the close of the fiscal years 1942 and 1943*—Continued

	1942	1943	Increase or decrease (−)
GENERAL FUND—Continued			
Assets—Continued.			
Deposits in—Continued.			
Foreign depositaries:			
To credit of Treasurer of the United States	$52, 640, 000. 00	$51, 209, 181. 37	−$1, 430, 818. 63
To credit of other Government officers	2, 247, 403. 39	29, 445, 926. 79	27, 198, 523. 40
Subtotal	54, 887, 403. 39	80, 655, 108. 16	25, 767, 704. 77
Philippine treasury:			
To credit of Treasurer of the United States	832, 201. 36	832, 201. 36	
In transit	340. 27	340. 27	
Subtotal	832, 541. 63	832, 541. 63	
Total assets, General Fund	3, 443, 227, 048. 31	10, 149, 159, 342. 32	6, 705, 932, 294. 01
Liabilities:			
Treasurer's checks outstanding	17, 366, 884. 15	35, 267, 032. 81	17, 900, 148. 66
Deposits of Government officers:			
Post Office Department	4, 270, 453. 16	95, 383, 925. 96	91, 113, 472. 80
Board of Trustees, Postal Savings System:			
5 percent reserve, lawful money	59, 300, 000. 00	77, 000, 000. 00	17, 700, 000. 00
Other deposits	155, 139, 332. 87	31, 767, 097. 90	−123, 372, 234. 97
Postmasters, clerks of courts, disbursing officers, etc	181, 899, 814. 57	321, 584, 881. 34	139, 685, 066. 77
Uncollected items, exchanges, etc	34, 103, 347. 79	81, 590. 478. 25	47, 487, 130. 46
Total liabilities, General Fund	452, 079, 832. 54	642, 593, 416. 26	190, 513, 583. 72
Balance in General Fund:			
Increment resulting from reduction in weight of gold dollar	143, 470, 455. 40	143, 710, 672. 78	240, 217. 38
Seigniorage (silver) [4]	618, 958, 767. 00	618, 958, 767. 00	
Working balance	2, 228, 717, 993. 37	8, 743, 896, 486. 28	6, 515, 178, 492. 91
Subtotal	2, 991, 147, 215. 77	9, 506, 565, 926. 06	6, 515, 418, 710. 29
Total General Fund liabilities and balance	3, 443, 227, 048. 31	10, 149, 159, 342. 32	6, 705, 932, 294. 01

NOTE.—The amount to the credit of disbursing officers and certain agencies was $10,087,282,581.50 on June 30, 1942, and $18,967,486,717.19 on June 30, 1943.

[4] This seigniorage represents the difference between the cost value and the monetary value of silver bullion revalued and held to secure the silver certificates issued on account of silver bullion acquired under the Silver Purchase Act of 1934 and under the President's proclamation dated Aug. 9, 1934.

TABLE 58.— *Balance in the General Fund of the Treasury at the end of each month, fiscal year 1943* [1]

[On basis of daily Treasury statements, see p. 459]

Month	Balance of increment resulting from reduction in weight of gold dollar	Seigniorage [2]	Working balance	Total balance
1942				
July	$143, 485, 895. 89	$618, 958, 767. 00	$2, 525, 198, 053. 81	$3, 287, 642, 716. 70
August	143, 503, 733. 46	618, 958, 767. 00	2, 391, 531, 831. 80	3, 153, 994, 332. 26
September	143, 523, 372. 65	618, 958, 767. 00	3, 540, 000, 865. 46	4, 302, 483, 005. 11
October	143, 544, 530. 24	618, 958, 767. 00	4, 133, 697, 382. 76	4, 896, 200, 680. 00
November	143, 573, 124. 06	618, 958, 767. 00	2, 319, 672, 756. 19	3, 082, 204, 647. 25
December	143, 592, 892. 44	618, 958, 767. 00	9, 780, 459, 706. 30	10, 543, 011, 365. 74
1943				
January	143, 609, 544. 53	618, 958, 767. 00	6, 961, 063, 110. 27	7, 723, 631, 421. 80
February	143, 635, 860. 53	618, 958, 767. 00	4. 629, 762, 704. 17	5, 392. 357, 331. 70
March	143, 660, 096. 94	618, 958, 767. 00	3, 416, 456, 551. 38	4, 179, 075, 415. 32
April	143, 672, 871. 36	618, 958, 767. 00	11, 854, 217, 099. 68	12, 616, 848, 738. 04
May	143, 695, 194. 39	618, 958, 767. 00	11, 924, 054, 819. 44	12, 686, 708, 780. 83
June	143, 710, 672. 78	618, 958, 767. 00	8, 743, 896, 486. 28	9, 506, 565, 926. 06

[1] For monthly balances back to October 1915, see annual reports for 1930, p. 598; 1934, p. 337, and corresponding tables in subsequent reports.

[2] This item of seigniorage represents the difference between the cost value and the monetary value of silver bullion revalued and held to secure the silver certificates issued on account of silver acquired under the Silver Purchase Act of 1934 and under the President's proclamation dated Aug. 9, 1934.

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TABLE 59.—*Assets and liabilities of the exchange stabilization fund as of June 30, 1942 and 1943*

Assets and liabilities	June 30, 1942		June 30, 1943	
ASSETS				
Cash:				
Treasurer of the United States, gold	$1,800,000,000.00		$1,800,000,000.00	
Treasurer of the United States, checking account	1,581,258.70		1,580,734.54	
Federal Reserve Bank of New York, special account	177,908,989.03		201,670,431.08	
Disbursing officers' balances and advance accounts	10,965.48		4,320.56	
Total cash		$1,979,501,213.21		$2,003,255,486.18
Gold purchased from Union of Soviet Socialist Republics (agreement Oct. 10, 1941, and Jan. 3, 1942) [1]		14,358,449.00		
Special accounts of Secretary of the Treasury in Federal Reserve Bank of New York: special account No. 1, gold (Schedule 1)		7,936,045.47		10,500,529.80
Due from foreign banks (foreign exchange):				
Swiss francs	232,629.79		991,372.25	
French francs	17.88		17.88	
Belgas	505.06		505.06	
Sterling	2,980.05		2,980.05	
Central Bank of China	[2] 19,121,925.34			
Foreign depositories			419,699.37	
Total due from foreign banks		19,358,058.12		1,414,574.61
Due from the Government of the Republic of Cuba				5,012,670.78
Investments in United States Government securities (Schedule 2)		10,448,723.13		10,448,723.13
Accrued interest receivable (Schedule 2)		9,730.73		9,730.73
Other accounts (deferred charges)		984.77		23.07
Commodity sales contracts (deferred charges)		2,636.00		2,636.00
Total assets		2,031,615,840.43		2,030,644,374.30
LIABILITIES AND CAPITAL				
Accounts payable:				
Victory tax withheld from salaries of employees, Treasury Department			2.277.50	
Employees' payroll allotment account, United States savings bonds	376.89		532.29	
Vouchers payable	218.91		2,465.73	
Due to foreign banks				
Due to Union of Soviet Socialist Republics (agreement Oct. 10, 1941, and Jan. 3, 1942)	2,471,716.74			
Miscellaneous	1,500.00		4,507.67	
Total accounts payable		2,473,812.54		9,783.19
Capital account		2,000,000,000.00		2,000,000,000.00
Earnings less administrative expenses (Schedules 3 and 4)		29,142,027.89		30,634,591.11
Total liabilities and capital		2,031,615,840.43		2,030,644,374.30

NOTE.—Annual balance sheets for the years 1934 through 1940 may be found in the Annual Report of the Secretary of the Treasury for 1940. Quarterly balance sheets commencing Dec. 31, 1938, may be found in the Bulletin of the Treasury Department beginning with the March 1939 issue.

[1] Consisted of 410,241.4 ounces on June 30, 1942.
[2] Consisted of secured deposits amounting to 65,032,054.79 yuan as of June 30, 1942. Gold held as collateral amounted to $19,379,015.65.

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TABLE 59.—*Assets and liabilities of the exchange stabilization fund as of June 30, 1942 and 1943*—Continued

SCHEDULE 1

LOCATION OF GOLD HELD BY AND FOR ACCOUNT OF THE EXCHANGE STABILIZATION FUND [1]

Location	June 30, 1942		June 30, 1943	
	Ounces	Dollars	Ounces	Dollars
Federal Reserve Bank of New York	3,939.543	137,884.01	92,038.140	3,221,334.92
U. S. Assay Office, New York	222,804.612	7,798,161.46	207,976.990	7,279,194.88
Total	226,744.155	7,936,045.47	300,015.130	10,500,529.80

[1] Excludes gold held by Treasurer of the United States and gold purchased from Union of Soviet Socialis Republics.

SCHEDULE 2

UNITED STATES GOVERNMENT SECURITIES HELD BY THE EXCHANGE STABILIZATION FUND ON JUNE 30, 1943 [1]

Issue	Face value	Cost	Average price	Accrued interest
2¼% Treasury bonds, 1951–53	$10,000,000	$10,000,000.00	100.0000	$9,221.31
2¾% Treasury bonds, 1958–63	50,000	49,640.63	99.2813	56.35
2¾% Treasury bonds, 1960–65	402,000	399,082.50	99.2743	453.07
Total United States Government securities	10,452,000	10,448,723.13		9,730.73

[1] No investments were purchased or sold during the fiscal year 1943 and therefore the amounts held on June 30, 1942, were the same as those held on June 30, 1943.

SCHEDULE 3

EARNINGS OF THE EXCHANGE STABILIZATION FUND

Source	Jan. 31, 1934, through June 30, 1942	Jan. 31, 1934, through June 30, 1943
Profits on British sterling transactions	$310,638.09	$310,638.09
Profits on French franc transactions	351,537.99	351,537.99
Profits on gold bullion (including profits from handling charges on gold)	19,948,590.50	21,357,999.25
Profits on silver transactions	105,371.27	105,371.27
Profits on sale of silver bullion to Treasury (nationalized)	3,473,362.29	3,473,362.29
Profits on investments	1,019,326.18	1,019,326.18
Interest on investments	3,711,009.14	3,948,439.14
Miscellaneous profits	473.74	497.51
Interest earned on foreign balances	123,888.59	123,888.59
Interest earned on Chinese yuan	1,841,337.32	1,975,317.07
Total earnings	30,885,535.11	32,666,377.38

SCHEDULE 4

ADMINISTRATIVE EXPENSES OF THE EXCHANGE STABILIZATION FUND

Classification	Jan. 31, 1934, through June 30, 1942	Jan. 31, 1934, through June 30, 1943
Salaries	$1,151,157.10	$1,393,816.42
Travel	61,553.90	67,018.04
Subsistence	45,910.27	57,431.02
Telephone and telegraph	335,665.52	357,835.71
Stationery, etc	17,765.20	19,026.27
All other	131,455.23	136,658.81
Total administrative expenses	1,743,507.22	2,031,786.27

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TABLE 60.—*Securities other than obligations of foreign governments owned by the United States Government, June 30, 1943*

[On the basis of the face value of the securities received by the United States, with due allowance for repayments. To the extent that the securities are not held in the custody of the Treasury, the statement is made up from reports received from other Government departments and establishments]

	Authorizing act	Amount	
Capital stock:			
Banks for cooperatives	June 16, 1933, as amended	$172,000,000.00	
Cargoes, Incorporated	Jan. 22, 1932, as amended	101,000.00	
Commodity Credit Corporation	June 16, 1933, as amended	100,000,000.00	
Defense Homes Corporation	Jan. 22, 1932, as amended	10,000,000.00	
Defense Plant Corporation [1]	do	5,000,000.00	
Defense Supplies Corporation [1]	do	5,000,000.00	
Disaster Loan Corporation	Feb. 11, 1937, as amended	24,000,000.00	
Export-Import Bank of Washington [2]	June 16, 1933, as amended	175,000,000.00	
Federal Crop Insurance Corporation	Feb. 16, 1938	35,000,000.00	
Federal Deposit Insurance Corporation.	June 16, 1933, as amended	150,000,000.00	
Federal Farm Mortgage Corporation	Jan. 31, 1934, as amended	100,000,000.00	
Federal home loan banks [1]	July 22, 1932, as amended	124,741,000.00	
Federal intermediate credit banks	Mar. 4, 1923, as amended	60,000,000.00	
Federal land banks	July 17, 1916, as amended	121,478,885.00	
Federal National Mortgage Association.[1]	June 27, 1934, as amended	10,000,000.00	
Federal Public Housing Authority [3]	Sept. 1, 1937, as amended	1,000,000.00	
Federal savings and loan associations	June 13, 1933, as amended	11,484,000.00	
Federal Savings and Loan Insurance Corporation.[4]	June 27, 1934	100,000,000.00	
Home Owners' Loan Corporation	June 13, 1933, as amended	200,000,000.00	
Inland Waterways Corporation	June 3, 1924, as amended	12,000,000.00	
Inter-American Navigation Corporation.	Dec. 17, 1940	500,000.00	
Metals Reserve Company [1]	Jan. 2, 1932, as amended	5,000,000.00	
Panama Railroad Company	June 8, 1902	7,000,000.00	
Production credit corporations	June 16, 1933, as amended	120,000,000.00	
Reconstruction Finance Corporation	Jan. 22, 1932, as amended	325,000,000.00	
RFC Mortgage Company [1]	Jan. 31, 1935, as amended	25,000,000.00	
Regional agricultural credit corporations.	July 21, 1932, as amended	44,500,000.00	
Rubber Development Corporation [5]	Jan. 22, 1932, as amended	100,000.00	
Rubber Reserve Company [1]	do	5,000,000.00	
Smaller War Plants Corporation	June 11, 1942	150,000,000.00	
Tennessee Valley Associated Cooperatives, Inc.	May 21, 1933	1,000.00	
U. S. Commercial Company [1]	Jan. 22, 1932, as amended	5,000,000.00	
U. S. Housing Corporation [6]	May 16, 1918, as amended	1,365,298.31	
U. S. Spruce Production Corporation	July 9, 1918, as amended	100,000.00	
War Damage Corporation [1]	Jan. 22, 1932, as amended	1,000,000.00	
Total capital stock			$2,106,371,183.31
Paid-in surplus:			
Federal land banks	May 12, 1933, as amended	141,617,869.23	
Federal National Mortgage Association.[1]	June 27, 1934, as amended	1,000,000.00	
Total paid-in surplus			142,617,869.23
Bonds and notes:			
Commodity Credit Corporation [7]	Mar. 8, 1938, as amended	1,950,000,000.00	
Federal Public Housing Authority [3]	Sept. 1, 1937, as amended	283,000,000.00	
Home Owners' Loan Corporation	June 13, 1933, as amended	212,000,000.00	
Reconstruction Finance Corporation	Jan. 22, 1932, as amended	5,033,372,123.79	
Tennessee Valley Authority	May 18, 1933, as amended	56,772,500.00	
Total bonds and notes			7,535,144,623.79
Other securities:			
Farm Credit Administration:			
Seed, feed, drought relief, and crop production loans.	July 1, 1918, as supplemented.	165,248,624.11	
Loans from Agricultural Marketing Act revolving fund.	June 15, 1929, as amended	80,085,766.50	
Farm Security Administration: Rural rehabilitation loans to farmers, etc.[8]	Apr. 8, 1935, as supplemented.	446,551,192.67	
Federal Security Agency: Student war loans	July 2, 1942	2,623,702.45	
Federal Works Agency: Advances to States, municipalities, railroads, and others.	June 16, 1933, as amended	90,170,419.63	

Footnotes at end of table.

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TABLE 60.—*Securities other than obligations of foreign governments owned by the United States Government, June 30, 1943—Continued*

	Authorizing act	Amount	
Other securities—Continued.			
Interior Department: Indian loans	June 18, 1934, as amended	$2,726,467.88	
Navy Department: Sales of surplus property.	July 9, 1918, as amended	3,619,718.06	
Puerto Rico Reconstruction Administration:			
Loans	Apr. 8, 1935, as amended	6,043,758.19	
Capital stock of Puerto Rico Cement Corporation.	do	1,219,600.00	
Rural Electrification Administration: Advances to cooperatives, States, and private utilities.[9]	do	344,479,142.47	
Treasury Department:			
Counties and municipalities	July 21, 1932, as amended	97,000.00	
District of Columbia	Dec. 26, 1941, as supplemented.	1,500,000.00	
Railroads	Feb. 28, 1920, as amended	25,122,577.88	
Securities received by the Bureau of Internal Revenue in settlements of tax liabilities.	July 1, 1898, as amended	60,137.77	
U. S. Maritime Commission: Ship construction and reconditioning loans, ship sales notes, etc.	Sept. 7, 1916, as amended	101,943,674.35	
Total other securities			$1,271,491,781.96
Total all securities			11,055,625,458.29
Less:			
Face amount of above securities acquired by Government corporations from corporate funds or by exchange for corporate obligations:			
Home Owners' Loan Corporation[4]		100,000,000.00	
Reconstruction Finance Corporation.[10]		834,233,577.84	
Adjustment—Rubber Development Corporation capital stock.[5]		99,999.00	
			934,333,576.84
Total face amount of securities owned by the United States.			10,121,291,881.45

Amount due the United States from the Central Branch Union Pacific Railroad on account of bonds issued (Pacific Railroad Aid Bonds Acts, approved July 1, 1862, July 2, 1864, and May 7, 1878):	
Principal	$1,600,000.00
Interest	1,586,142.92
Total	3,186,142.92

[1] Reconstruction Finance Corporation funds.
[2] Reconstruction Finance Corporation funds, $174,000,000; and appropriated funds $1,000,000.
[3] Formerly United States Housing Authority.
[4] Home Owners' Loan Corporation obligations issued to the Federal Savings and Loan Insurance Corporation for capital stock subscription.
[5] Par value of stock issued and outstanding is $100,000, but is carried at $1 on the books of Reconstruction Finance Corporation.
[6] The balance of the amount paid in by the United States on outstanding stock is $25,344,679.60. Above amount represents net amount of assets available to liquidate such stock.
[7] Includes temporary borrowings of $1,250,000,000 during the month of June 1943, which were repaid in July 1943.
[8] Includes Reconstruction Finance Corporation funds amounting to $241,861,053.79.
[9] Includes Reconstruction Finance Corporation funds amounting to $231,631,523.05.
[10] For securities purchased with Reconstruction Finance Corporation funds, see footnotes 1, 2, 5, 8, and 9.

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TABLE 61.—*Principal of the funded and unfunded indebtedness of foreign governments to the United States, the accrued and unpaid interest thereon, and payments on account of principal and interest, as of November 15, 1943*

Country	Total indebtedness (payments on principal deducted)	Total payments received	Funded indebtedness				Unfunded indebtedness			
			Indebtedness		Payments on account		Indebtedness		Payments on account [1]	
			Principal (net)	Accrued interest	Principal	Interest	Principal (net)	Accrued interest	Principal	Interest
Armenia	$26, 195, 087. 59						$11, 959, 917. 49	$14, 235, 170. 10		
Belgium	486, 947, 077. 60	$52, 191, 273. 24	$400, 680, 000. 00	$86, 267, 077. 60	$17, 100, 000. 00	$14, 490, 000. 00			$2, 057, 630. 37	$18, 543, 642. 87
Cuba		12, 286, 751. 58							10, 000, 000. 00	2, 286, 751. 58
Czechoslovakia	[2] 165, 897, 364. 50	20, 134, 092. 26	165, 241, 108. 90	656, 255. 60	19, 829, 914. 17					304, 178. 09
Estonia	[3] 23, 346, 640. 80	1, 248, 432. 07	16, 466, 012. 87	6, 880, 627. 93		1, 246, 990. 19				1, 441. 88
Finland	8, 810, 746. 49	6, 219, 635. 33	8, 032, 756. 97	777, 989. 52	967, 243. 03	4, 943, 077. 03				309, 315. 27
France	4, 452, 544, 204. 40	486, 075, 891. 00	3, 863, 650, 000. 00	588, 894, 204. 40	161, 350, 000. 00	38, 650, 000. 00			64, 689, 588. 18	221, 386, 302. 82
Germany (Austrian indebtedness) [4]	[5] 26, 024, 539. 59	862, 668. 00	25, 980, 480. 66	44, 058. 93	862, 668. 00					
Great Britain	6, 111, 864, 782. 58	2, 024, 848, 817. 09	4, 368, 000, 000. 00	1, 743, 864, 782. 58	232, 000, 000. 00	1, 232, 770, 518. 42			202, 181, 641. 56	357, 896, 657. 11
Greece	36, 219, 775. 00	4, 127, 056. 01	31, 516, 000. 00	4, 703, 775. 00	981, 000. 00	1, 983, 980. 00			2, 922. 67	1, 159, 153. 34
Hungary	[3] 2, 608, 197. 73	556, 919. 76	1, 908, 560. 00	699, 637. 73	73, 995. 50	482, 171. 22				753. 04
Italy	2, 042, 249, 909. 34	100, 829, 880. 16	2, 004, 900, 000. 00	37, 349, 909. 34	37, 100, 000. 00	5, 766, 708. 26			364, 319. 28	57, 598, 852. 62
Latvia	[3] 9, 636, 544. 10	761, 549. 07	6, 879, 464. 20	2, 757, 079. 90	9, 200. 00	621, 520. 12				130, 828. 95
Liberia		36, 471. 56							26, 000. 00	10, 471. 56
Lithuania	[3] 8, 633, 005. 92	1, 237, 956. 58	6, 197, 682. 00	2, 435, 323. 92	234, 783. 00	1, 001, 626. 61				1, 546. 97
Nicaragua [6]		168, 575. 84							141, 950. 36	26, 625. 48
Poland	[3] 292, 166, 584. 20	22, 646, 297. 55	206, 057, 000. 00	86, 109, 584. 20	1, 287, 297. 37	19, 310, 775. 90				2, 048, 224. 28
Rumania	[2] 71, 296, 040. 51	[7] 4, 791, 007. 22	63, 860, 560. 43	7, 435, 480. 08	2, 700. 000. 00	29, 061. 46			1, 798, 632. 02	263, 313. 74
Russia	433, 512, 351. 94	[8] 8, 750, 311. 88					192, 601, 297. 37	240, 911, 054. 57		[8] 8, 750, 311. 88
Yugoslavia	62, 780, 468. 78	2, 588, 771. 69	61, 625, 000. 00	1, 155, 468. 78	1, 225, 000. 00				727, 712. 55	636, 059. 14
Total	14, 260, 733, 321. 07	2, 750, 362, 357. 89	11, 230, 994, 626. 03	[9] 2, 570, 031, 255. 51	475, 721, 101. 07	1, 321, 296, 429. 21	204, 561, 214. 86	255, 146, 224. 67	281, 990, 396. 99	671, 354, 430. 62

[1] Payments of governments which have funded were made prior to the date of the funding agreements.

[2] Differences between principal of funded indebtedness and amounts here stated represent deferred payments provided for in the funding agreements, for which "bonds" of the respective debtor governments have been or will be delivered to the Treasury.

[3] Increase over amount funded due to exercise of options with respect to the payment of interest due on original issue of bonds of debtor governments.

[4] The German Government has been notified that the Government of the United States will look to the German Government for the discharge of this indebtedness of the Government of Austria to the Government of the United States.

[5] Includes additional bonds aggregating $3,489,482.75 received July 23, 1937, in exchange for bonds aggregating $1,207,742 and annuities aggregating $69,534.46, payable on Jan. 1, 1933, 1934, and 1935, but postponed as provided by agreements of May 8, 1930, and Sept. 14, 1932.

[6] The United States held obligations in the principal amount of $289,898.78, which, together with accrued interest thereon, were canceled on Oct. 6, 1939, pursuant to agreement of Apr. 14, 1938, between the United States and the Republic of Nicaragua, ratified by the United States Senate on June 13, 1938.

[7] Does not include payment of $100,000 by Rumanian Government on June 15, 1940, which was made as "a token of its good faith and of its real desire to reach a new agreement covering" Rumania's indebtedness to the United States.

[8] Represents proceeds of liquidation of financial affairs of the Russian Government in this country. (Copies of letter dated May 23, 1922, from the Secretary of State and of reply of the Secretary of the Treasury dated June 2, 1922, in regard to loans to the Russian Government and liquidation of affairs of the latter in this country appear in the Annual Report of the Secretary of the Treasury for 1922, as exhibit 79, p. 283, and in the combined annual reports of the World War Foreign Debt Commission as exhibit 2, p. 84.)

[9] Includes balances of amounts postponed under provisions of joint resolution of Dec. 23, 1931. (For amounts postponed see p. 35 of Annual Report of the Secretary of the Treasury for 1932.)

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TABLE 62.—*Principal of the funded and unfunded indebtedness of foreign governments to the United States, the accrued and unpaid interest thereon, and payments on account of principal and interest, as of November 15 of each year from 1928 through 1943*

Year	Total indebtedness (payments on principal deducted)	Total payments received	Funded indebtedness				Unfunded indebtedness			
			Indebtedness		Payments on account		Indebtedness		Payments on account [1]	
			Principal (net)	Accrued interest [2]	Principal	Interest	Principal (net)	Accrued interest	Principal	Interest
1928	$11,853,406,768.55	$1,963,023,654.25	$11,462,200,951.00	$28,764,278.81	$152,552,048.00	$764,546,559.35	$243,907,551.77	$118,533,986.97	$303,267,052.84	$742,657,994.06
1929	11,829,755,777.51	2,162,605,203.58	11,455,772,818.00	32,541,624.26	191,565,786.00	904,763,750.32	229,466,727.85	111,974,607.40	303,269,975.51	763,005,691.75
1930	11,641,264,883.62	2,391,993,341.97	11,279,990,878.50	34,206,294.13	391,962,610.50	1,046,687,129.58	204,851,842.85	122,215,868.14	281,989,667.78	671,353,934.11
1931	11,598,501,461.42	2,627,580,897.72	11,232,604,719.57	28,572,000.00	443,310,743.87	1,230,926,551.96	204,851,842.85	132,472,899.00	281,989,667.78	671,353,934.11
1932	11,793,172,630.78	2,627,580,897.72	11,261,176,719.57	184,440,108.36	443,310,743.87	1,230,926,551.96	204,851,842.85	142,703,960.00	281,989,667.78	671,353,934.11
1933	11,888,508,973.91	2,737,707,104.88	11,229,429,605.40	301,236,727.54	475,057,858.04	1,309,305,852.24	204,851,113.64	152,991,527.33	281,990,396.99	671,352,997.61
1934	12,102,962,275.61	2,747,041,165.88	11,229,212,445.44	505,668,208.95	475,275,018.00	1,318,422,753.28	204,851,113.64	163,230,507.58	281,990,396.99	671,352,997.61
1935	12,328,960,509.67	2,747,436,589.89	11,229,145,735.91	721,489,130.85	475,341,727.53	1,318,750,034.75	204,851,113.64	173,474,529.27	281,990,396.99	671,354,430.62
1936	12,556,828,068.35	2,748,180,030.39	11,229,075,838.00	939,181,132.78	475,411,625.44	1,319,423,577.34	204,851,113.64	183,719,983.93	281,990,396.99	671,354,430.62
1937	12,786,196,128.24	2,748,574,488.89	11,231,232,007.83	1,156,141,124.08	475,483,719.27	1,319,745,942.01	204,851,113.64	193,971,882.69	281,990,396.99	671,354,430.62
1938	13,011,846,749.58	2,749,249,727.71	11,231,157,710.25	1,372,121,903.50	475,558,016.85	1,320,346,883.25	204,561,214.86	204,005,920.97	281,990,396.99	671,354,430.62
1939	13,237,290,908.97	2,749,663,012.53	11,231,081,200.76	1,587,414,511.64	475,634,526.34	1,320,683,658.58	204,561,214.86	214,233,981.71	281,990,396.99	671,354,430.62
1940	13,463,473,869.84	[3] 2,750,163,927.85	11,231,001,470.89	1,803,449,141.64	475,714,256.21	1,321,104,844.03	204,561,214.86	224,462,042.45	281,990,396.99	671,354,430.62
1941	13,730,365,520.39	2,750,173,756.01	11,231,001,470.89	2,060,112,731.45	475,714,256.21	1,321,114,672.19	204,561,214.86	234,690,103.19	281,990,396.99	671,354,430.62
1942	13,996,180,393.37	2,750,193,412.33	11,231,001,470.89	2,315,699,543.69	475,714,256.21	1,321,134,328.51	204,561,214.86	244,918,163.93	281,990,396.99	671,354,430.62
1943	14,260,733,321.07	2,750,362,357.89	11,230,994,626.03	2,570,031,255.51	475,721,101.07	1,321,296,429.21	204,561,214.86	255,146,224.67	281,990,396.99	671,354,430.62

[1] Payments of governments which have funded were made prior to the dates of the funding agreements.

[2] Includes balances of amounts postponed under provisions of joint resolution of Dec. 23, 1931 (for amounts postponed see p. 35 of Annual Report of the Secretary of the Treasury for 1932).

[3] Does not include payment of $100,000 by Rumanian Government on June 15, 1940, which was made as "a token of its good faith and of its real desire to reach a new agreement covering" Rumania's indebtedness to the United States.

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TRUST AND SPECIAL FUNDS FOR WHICH INVESTMENTS ARE MADE BY THE TREASURY DEPARTMENT

TABLE 63.—*Adjusted service certificate fund, June 30, 1943*

[On basis of daily Treasury statements, see p. 459. This trust fund was established in accordance with the provisions of the act of May 19, 1924 (43 Stat. 128). For further details see annual report of the Secretary for 1941, p. 135]

I. RECEIPTS AND EXPENDITURES (EXCLUSIVE OF PURCHASES AND SALES OF INVESTMENTS)

	Cumulative to June 30, 1942	Increase or decrease (—), fiscal year 1943	Cumulative to June 30, 1943
Receipts:			
Appropriations	$3,636,157,956.40		$3,636,157,956.40
Interest on loans and investments	132,529,690.33	$735,574.25	133,265,264.58
Total receipts	3,768,687,646.73	735,574.25	3,769,423,220.98
Expenditures:			
Payments under Adjusted Compensation Payment Act, 1936, enacted Jan. 27, 1936:			
Adjusted service bonds	1,840,561,100.00	733,800.00	1,841,294,900.00
Adjusted service bonds (Government life insurance fund series)	500,157,956.40		500,157,956.40
Checks for amounts less than $50	83,561,658.02	26,237.98	83,587,896.00
Checks paid by Treasurer of the United States other than in final settlement of certificates under the Adjusted Compensation Payment Act, 1936, less credits on account of repayments of loans	1,325,763,553.90	207,393.91	1,325,970,947.81
Total expenditures	3,750,044,268.32	967,431.89	3,751,011,700.21
Balance	18,643,378.41	−231,857.64	18,411,520.77

II. ASSETS HELD BY THE TREASURY DEPARTMENT

	June 30, 1942	Increase or decrease (—), fiscal year 1943	June 30, 1943
Investments:			
4% special Treasury certificates of indebtedness, adjusted service certificate fund series:			
Maturing Jan. 1, 1943	$18,435,000.00	−$18,435,000.00	
Maturing Jan. 1, 1944		18,268,000.00	$18,268,000.00
Total investments	18,435,000.00	−167,000.00	18,268,000.00
Unexpended balances:			
To credit of disbursing officers	191,903.43	−60,782.99	131,120.44
On books of the Division of Bookkeeping and Warrants	[1] 16,474.98	−4,074.65	[2] 12,400.33
Total assets	18,643,378.41	−231,857.64	18,411,520.77

[1] Exclusive of deposits in transit of $546.39 and credit adjustments for transit items of $20, both of which were reflected in July 1942.
[2] Excludes $307.55 representing deposit in transit.

TABLE 64.—*Ainsworth Library fund, Walter Reed General Hospital, June 30, 1943*

[This trust fund was established in accordance with the provisions of the joint resolution of Congress approved May 23, 1935 (49 Stat. 287). For further details see annual report of the Secretary for 1941, p. 154]

I. RECEIPTS AND EXPENDITURES (EXCLUSIVE OF PURCHASES AND SALES OF INVESTMENTS)

	Cumulative to June 30, 1942	Increase, fiscal year 1943	Cumulative to June 30, 1943
Receipts:			
Bequest of Maj. Gen. Fred C. Ainsworth	$10,700.00		$10,700.00
Earnings on investments	1,516.77	$278.88	1,795.65
Total receipts	12,216.77	278.88	12,495.65
Expenditures	2,156.23	223.47	2,379.70
Balance	10,060.54	55.41	10,115.95

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TABLE 64.—*Ainsworth Library fund, Walter Reed General Hospital, June 30, 1943*—Continued

II. ASSETS HELD BY THE TREASURY DEPARTMENT

	June 30, 1942	Increase, fiscal year 1943	June 30, 1943
Investments:			
2⅞% Treasury bonds of 1955-60 (par value $9,700)	$9,972.81		$9,972.81
Unexpended balance on books of the Division of Bookkeeping and Warrants	87.73	$55.41	143.14
Total	10,060.54	55.41	10,115.95

TABLE 65.—*Alaska Railroad retirement and disability fund, June 30, 1943*

[On basis of daily Treasury statements, see p. 459. This trust fund was established in accordance with the provisions of sec. 9 of the act of June 29, 1936 (49 Stat. 2022). For further details see annual report of the Secretary for 1941, p. 139]

I. RECEIPTS AND EXPENDITURES (EXCLUSIVE OF PURCHASES AND SALES OF INVESTMENTS)

	Cumulative to June 30, 1942	Increase, fiscal year 1943	Cumulative to June 30, 1943
Receipts:			
On account of deductions from basic compensation of employees subject to retirement act	$740,961.82	$176,014.23	$916,976.05
Transferred from civil service retirement and disability fund:			
On account of deductions	30,980.06		30,980.06
Accrued interest on deductions	2,170.16		2,170.16
Total	33,150.22		33,150.22
Appropriations	875,000.00	175,000.00	1,050,000.00
Interest and profits on investments	148,364.11	59,403.06	207,767.17
Total receipts	1,797,476.15	410,417.29	2,207,893.44
Expenditures:			
Annuity payments and refunds	455,405.67	141,604.86	597,010.53
Balance	1,342,070.48	268,812.43	1,610,882.91

II. ASSETS HELD BY THE TREASURY DEPARTMENT

	June 30, 1942	Increase or decrease (−), fiscal year 1943	June 30, 1943
Investments:			
4% special Treasury notes, Alaska Railroad retirement fund series, maturing:			
June 30, 1943	$225,000.00	−$225,000.00	
June 30, 1944	196,000.00		$196,000.00
June 30, 1945	229,000.00		229,000.00
June 30, 1946	328,000.00		328,000.00
June 30, 1947	322,000.00	225,000.00	547,000.00
June 30, 1948		252,000.00	252,000.00
Total investments	1,300,000.00	252,000.00	1,552,000.00
Unexpended balances:			
To credit of disbursing officers	27,265.92	17,988.92	45,254.84
On books of the Division of Bookkeeping and Warrants	14,804.56	−1,176.49	13,628.07
Total assets	1,342,070.48	268,812.43	1,610,882.91

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TABLE 66.—*Canal Zone retirement and disability fund, June 30, 1943*

[On basis of daily Treasury statements, see p. 459. This trust fund was established in accordance with the provisions of sec. 10 of the act of Mar. 2, 1931 (46 Stat. 1477). For further details see annual report of the Secretary for 1941, p. 137]

I. RECEIPTS AND EXPENDITURES (EXCLUSIVE OF PURCHASES AND SALES OF INVESTMENTS)

	Cumulative to June 30, 1942	Increase, fiscal year 1943	Cumulative to June 30, 1943
Receipts:			
On account of deductions from basic compensation and service credit payments of employees subject to retirement act	[1] $6,792,418.69	$1,116,992.59	[1] $7,909,411.28
On account of voluntary contributions		14,199.39	14,199.39
Total	6,792,418.69	1,131,191.98	7,923,610.67
Transfers from civil service retirement and disability fund:			
On account of deductions	1,314,724.36		1,314,724.36
Accrued interest on deductions	153,076.58		153,076.58
Total	1,467,800.94		1,467,800.94
Appropriations	4,854,000.00	1,177,000.00	6,031,000.00
Interest and profits on investments	1,518,176.62	310,496.20	1,828,672.82
Total receipts	14,632,396.25	2,618,688.18	17,251,084.43
Expenditures:			
Annuity payments and refunds	7,671,419.41	1,331,712.42	9,003,131.83
Balance	6,960,976.84	1,286,975.76	8,247,952.60

II. ASSETS HELD BY THE TREASURY DEPARTMENT

	June 30, 1942	Increase or decrease (−), fiscal year 1942	June 30, 1943
Investments:			
4% special Treasury notes, Canal Zone retirement fund series, maturing:			
June 30, 1943	$599,000.00	−$599,000.00	
June 30, 1944	624,000.00		$624,000.00
June 30, 1945	1,328,000.00		1,328,000.00
June 30, 1946	3,481,000.00		3,481,000.00
June 30, 1947	646,000.00	1,188,000.00	1,834,000.00
June 30, 1948		693,000.00	693,000.00
Total investments	6,678,000.00	1,282,000.00	7,960,000.00
Unexpended balances:			
To credit of disbursing officers	195,704.45	67,412.87	263,117.32
On books of the Division of Bookkeeping and Warrants	[2] 87,272.39	−62,437.11	24,835.28
Total assets	6,960,976.84	1,286,975.76	8,247,952.60

[1] Includes payment from Panama Railroad Company of $355,984 for the fiscal year 1941.
[2] Exclusive of $156.34 representing deposits in transit.

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TABLE 67.—*Civil service retirement and disability fund, June 30, 1943*

[On basis of daily Treasury statements, see p. 459. This trust fund was established in accordance with the provisions of the act of May 22, 1920 (41 Stat. 614). For further details see annual report of the Secretary for 1941, p. 136]

I. RECEIPTS AND EXPENDITURES (EXCLUSIVE OF PURCHASES AND SALES OF INVESTMENTS)

	Cumulative to June 30, 1942	Increase, fiscal year 1943	Cumulative to June 30, 1943
Receipts:			
On account of deductions from basic compensation and service credit payments of employees subject to retirement act [1]	$677,449,455.26	$224,916,473.27	$902,365,928.53
On account of voluntary contributions	1,265,400.00	564,800.00	1,830,200.00
Appropriations	660,613,592.00	[2] 106,137,575.00	766,751,167.00
Interest and profits on investments	207,604,945.35	37,788,863.36	245,393,808.71
Total receipts	1,546,933,392.61	369,407,711.63	1,916,341,104.24
Expenditures:			
Annuity payments and refunds	751,121,127.79	83,323,821.51	834,444,949.30
Transfers to Canal Zone retirement and disability fund:			
On account of deductions	1,314,724.36		1,314,724.36
Accrued interest on deductions	153,076.58		153,076.58
Total	1,467,800.94		1,467,800.94
Transfers to Alaska Railroad retirement and disability fund:			
On account of deductions	30,980.06		30,980.06
Accrued interest on deductions	2,170.16		2,170.16
Total	33,150.22		33,150.22
Transfers to policemen's and firemen's relief fund, D. C.:			
On account of deductions	26,428.21		26,428.21
Accrued interest on deductions	11,671.46		11,671.46
Total	38,099.67		38,099.67
Total expenditures	752,660,178.62	83,323,821.51	835,984,000.13
Balance	794,273,213.99	286,083,890.12	1,080,357,104.11

II. ASSETS HELD BY THE TREASURY DEPARTMENT

	June 30, 1942	Increase or decrease (−), fiscal year 1943	June 30, 1943
Investments:			
4% special Treasury notes, civil service retirement fund series, maturing:			
June 30, 1943	$140,900,000.00	−$140,900,000.00	
June 30, 1944	125,400,000.00		$125,400,000.00
June 30, 1945	151,400,000.00		151,400,000.00
June 30, 1946	210,700,000.00		210,700,000.00
June 30, 1947	153,000,000.00	238,400,000.00	391,400,000.00
June 30, 1948		180,000,000.00	180,000,000.00
3% special Treasury notes, civil service retirement fund series, maturing:			
June 30, 1944	200,000.00	−200,000.00	
June 30, 1945	569,000.00	−132,000.00	437,000.00
June 30, 1946	415,000.00		415,000.00
June 30, 1947	66,000.00	444,000.00	510,000.00
June 30, 1948		59,000.00	59,000.00
Total investments	782,650,000.00	277,671,000.00	1,060,321,000.00
Unexpended balances:			
To credit of disbursing officers	8,183,748.21	1,129,432.41	9,313,180.62
On books of the Division of Bookkeeping and Warrants	[3] 3,439,465.78	7,283,457.71	[4] 10,722,923.49
Total assets	794,273,213.99	286,083,890.12	1,080,357,104.11

[1] Under Public Law 411, approved January 24, 1942, it was provided that after June 30, 1942, there would be deducted and withheld from the basic salary, pay, or compensation of any officer or employee to whom the Civil Service Retirement Act applies a sum equal to 5 per centum of such officer's or employee's basic salary, pay, or compensation in lieu of the 3½ per centum deduction previously in effect.

[2] Comprises $105,258,000 appropriated from the General Fund to cover the liability of the United States and $879,575, appropriated from the revenues of the District of Columbia to cover its liability in connection with the financing of the fund.

[3] Exclusive of $1,487,105.62 representing deposits in transit.

[4] Does not include $2,154,957.66 representing July prior deposits appropriated as of June 30, 1943.

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TABLE 68.— *District of Columbia teachers' retirement fund—Assets held by the Treasury Department, June 30, 1943*

[This trust fund was established in accordance with the provisions of the act of Jan. 15, 1920 (41 Stat. 387). For further details see annual report of the Secretary for 1941, p. 140.]

	June 30, 1942	Increase or decrease (−), fiscal year 1943	June 30, 1943	
	Deductions fund			
Investments:				
Government securities:	*Principal cost*		*Par value*	*Principal cost*
Treasury bonds:				
3¼% of 1943–45	$232,000.00	−$232,000.00		
3⅜% of 1943–47	49,500.00	−49,500.00		
4% of 1944–54	123,387.50		$122,000.00	$123,387.50
3¾% of 1946–56	87,437.81		87,000.00	87,437.81
4¼% of 1947–52	956,962.07		860,200.00	956,962.07
2% of 1948–50	40,000.00		40,000.00	40,000.00
2¾% of 1951–54	79,382.19		77,000.00	79,382.19
2½% of 1952–54	276,000.00		276,000.00	276,000.00
2¼% of 1954–56	502,000.00		502,000.00	502,000.00
2⅞% of 1955–60	1,927,412.21		1,896,850.00	1,927,412.21
2¾% of 1956–59	107,920.63		105,000.00	107,920.63
2½% of 1956–58	49,100.31		47,000.00	49,100.31
2¾% of 1958–63	300,245.94		293,000.00	300,245.94
2¾% of 1960–65	483,302.82		458,000.00	483,302.82
2½% of 1967–72	179,000.00		179,000.00	179,000.00
2½% of 1964–69		475,998.75	475,000.00	475,998.75
United States savings bonds:				
2½%, Series G	100,000.00	150,000.00	250,000.00	250,000.00
Total Government securities	5,493,651.48	344,498.75	5,668,050.00	5,838,150.23
Government-guaranteed securities:				
3¼% Federal Farm Mortgage Corporation bonds of 1944–64	73,785.00		72,000.00	73,785.00
Other securities:				
3% consolidated Federal farm loan bonds of:				
1945–55	173,460.00		177,000.00	173,460.00
1946–56	534,630.00		536,500.00	534,630.00
4½% Philippine Islands bonds	197,669.56		182,000.00	197,669.56
4½% Puerto Rican bonds	15,962.57		16,000.00	15,962.57
Total other securities	921,722.13		911,500.00	921,722.13
Total investments	6,489,158.61	344,498.75	6,651,550.00	6,833,657.36
Unexpended balances:				
To credit of disbursing officers	26,593.62	−7,064.33		19,529.29
On books of the Division of Bookkeeping and Warrants	179,562.42	−87,069.37		92,493.05
Total assets	6,695,314.65	250,365.05		6,945,679.70
	Government reserve fund			
Investments:				
Government securities:	*Principal cost*		*Par value*	*Principal cost*
Treasury bonds:				
3⅜% of 1943–47	$204,701.25	−$204,701.25		
4% of 1944–54	12,285.00		$12,000.00	$12,285.00
3¾% of 1946–56	31,145.31		31,000.00	31,145.31
4¼% of 1947–52	313,717.51		282,000.00	313,717.51
2% of 1948–50	25,000.00		25,000.00	25,000.00
2¾% of 1951–54	17,525.94		17,000.00	17,525.94
2½% of 1952–54	237,000.00		237,000.00	237,000.00
2¼% of 1954–56	154,000.00		154,000.00	154,000.00
2⅞% of 1955–60	1,097,915.04		1,085,000.00	1,097,915.04
2¾% of 1956–59	128,283.76		126,000.00	128,283.76
2¾% of 1958–63	318,227.20		313,000.00	318,227.20
2¾% of 1960–65	249,540.32		235,000.00	249,540.32
2½% of 1964–69		403,722.50	403,000.00	403,722.50
2½% of 1967–72	162,000.00		162,000.00	162,000.00
United States savings bonds:				
2½%, Series G	62,500.00	100,000.00	162,500.00	162,500.00
Total Government securities	3,013,841.33	299,021.25	3,244,500.00	3,312,862.58
Government-guaranteed securities:				
3¼% Federal Farm Mortgage Corporation bonds of 1944–64	23,566.25		23,000.00	23,566.25
Other securities:				
3% consolidated Federal farm loan bonds of 1946–56	289,474.50		290,200.00	289,474.50
4½% Puerto Rican bonds	55,109.56		55,000.00	55,109.56
Total other securities	344,584.06		345,200.00	344,584.06
Total investments	3,381,991.64	299,021.25	3,612,700.00	3,681,012.89

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TABLE 68.—*District of Columbia teachers' retirement fund—Assets held by the Treasury Department, June 30, 1943*—Continued

	June 30, 1942	Increase or decrease (—), fiscal year 1943	June 30, 1943	
	Government reserve fund—Continued			
	Principal cost		*Par value*	*Principal cost*
Unexpended balances:				
To credit of disbursing officers	$86,801.58	$7,973.25		$94,774.83
On books of the Division of Bookkeeping and Warrants	131,218.46	—35,360.17		95,858.29
Total assets	3,600,011.68	271,634.33		3,871,646.01
	Summary			
	Principal cost		*Par value*	*Principal cost*
Investments:				
Government securities	$8,507,492.81	$643,520.00	$8,912,550.00	$9,151,012.81
Government-guaranteed securities	97,351.25		95,000.00	97,351.25
Other securities	1,266,306.19		1,256,700.00	1,266,306.19
Total investments	9,871,150.25	643,520.00	10,264,250.00	10,514,670.25
Unexpended balances:				
To credit of disbursing officers	113,395.20	908.92		114,304.12
On books of the Division of Bookkeeping and Warrants	310,780.88	—122,429.54		188,351.34
Total assets	10,295,326.33	521,999.38		10,817,325.71

TABLE 69.—*District of Columbia water fund—Investments held by the Treasury Department, June 30, 1943*

[These investments were made in accordance with the provisions of the act of June 29, 1937 (50 Stat. 392) and in subsequent appropriation acts for the District of Columbia. For further details see annual report of the Secretary for 1941, p. 142]

	June 30, 1942 (principal cost)	Fiscal year 1943	June 30, 1943	
			Par value	Principal cost
Investments:				
Treasury bonds:				
2½% of 1952–54	$100,000.00		$100,000.00	$100,000.00
2¾% of 1958–63	749,110.01		736,000.00	749,110.01
2¾% of 1960–65	987,511.56		937,000.00	987,511.56
Total investments	1,836,621.57		1,773,000.00	1,836,621.57

TABLE 70.—*District of Columbia workmen's compensation fund—Assets held by the Treasury Department, June 30, 1943*

[This trust fund was established in accordance with the provisions of the act of May 17, 1928 (45 Stat. 600). For further details see annual report of the Secretary for 1941, p. 141]

	June 30, 1942	Increase or decrease (—), fiscal year 1943	June 30, 1943	
Investments:				
Government securities:	*Principal cost*		*Par value*	*Principal cost*
Treasury bonds:				
2% of 1948–50	$12,000.00		$12,000.00	$12,000.00
2½% of 1952–54	5,000.00		5,000.00	5,000.00
2⅞% of 1955–60	10,165.63		10,000.00	10,165.63
2½% of 1962–67	5,000.00		5,000.00	5,000.00
Total Government securities	32,165.63		32,000.00	32,165.63
Other securities:				
3% consolidated Federal farm loan bonds of 1946–56	10,972.50		11,000.00	10,972.50
Total investments	43,138.13		43,000.00	43,138.13
Unexpended balances:				
To credit of disbursing officers	r 4,509.20	—$1,165.33		3,343.87
On books of the Division of Bookkeeping and Warrants	4,229.74	6,121.58		10,351.32
Total assets	r 51,877.07	4,956.25		56,833.32

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TABLE 71.—*Federal old-age and survivors insurance trust fund, June 30, 1943*

[On basis of daily Treasury statements, see p. 459. This trust fund, the successor to the old-age reserve account, was established in accordance with the provisions of the Social Security Act Amendments of 1939, approved Aug. 10, 1939 (53 Stat. 1362). For further details see annual report of the Secretary for 1940, p. 212]

I. RECEIPTS AND EXPENDITURES (EXCLUSIVE OF PURCHASES AND SALES OF INVESTMENTS)

	Cumulative to June 30, 1942	Increase, fiscal year 1943	Cumulative to June 30, 1943
Receipts:			
Appropriations	$3,288,759,567.10	$1,130,495,200.70	$4,419,254,767.80
Interest on investments	214,078,766.87	87,403,022.48	301,481,789.35
Total receipts	3,502,838,333.97	1,217,898,223.18	4,720,736,557.15
Expenditures:			
Benefit payments and refunds	209,750,290.86	149,303,977.71	359,054,268.57
Reimbursements for administrative expenses under sec. 201 (f) of the Social Security Act of 1939	65,893,897.86	27,492,407.40	93,386,305.26
Total expenditures	275,644,188.72	176,796,385.11	452,440,573.83
Balance	3,227,194,145.25	1,041,101,838.07	4,268,295,983.32

II. ASSETS HELD IN THE TREASURY DEPARTMENT

	June 30, 1942	Increase or decrease (—), fiscal year 1943	June 30, 1943
Investments:			
Special Treasury notes:			
Old-age reserve account 3% series maturing:			
June 30, 1943	$497,400,000.00	—$497,400,000.00	
June 30, 1944	26,400,000.00	—26,400,000.00	
Federal old-age and survivors insurance trust fund:			
2½% series maturing:			
June 30, 1944	283,000,000.00		$283,000,000.00
June 30, 1945	725,900,000.00		725,900,000.00
June 30, 1946	319,200,000.00		319,200,000.00
2⅜% series maturing:			
June 30, 1946	603,000,000.00		603,000,000.00
2¼% series maturing:			
June 30, 1946	228,000,000.00		228,000,000.00
June 30, 1947	450,400,000.00		450,400,000.00
2⅛% series maturing:			
June 30, 1947		240,000,000.00	240,000,000.00
2% series maturing:			
June 30, 1947		459,000,000.00	459,000,000.00
1⅞% series maturing:			
June 30, 1947		275,000,000.00	275,000,000.00
June 30, 1948		460,000,000.00	460,000,000.00
Total special Treasury notes	3,133,300,000.00	910,200,000.00	4,043,500,000.00
Treasury bonds:			
2½% of 1967–72	44,334,250.00		44,334,250.00
2½% of 1962–67	24,000,000.00	25,000,000.00	49,000,000.00
2½% of 1963–68		100,000,000.00	100,000,000.00
Total Treasury bonds	68,334,250.00	125,000,000.00	193,334,250.00
Total investments	3,201,634,250.00	1,035,200,000.00	4,236,834,250.00
Unexpended balances:			
To credit of disbursing officers	20,383,756.68	4,111,616.06	24,495,372.74
On books of the Division of Bookkeeping and Warrants	5,176,138.57	1,790,222.01	[1] 6,966,360.58
Total assets	3,227,194,145.25	1,041,101,838.07	4,268,295,983.32

[1] Excludes $690.59 representing deposits in transit.

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TABLE 72.—*Railroad retirement account, June 30, 1943*

[On basis of daily Treasury statements, see p. 459. This trust account was established in accordance with the provisions of sec. 15 (a) of the act of June 24, 1937 (50 Stat. 316). For further details see annual report of the Secretary for 1941, p. 148]

I. RECEIPTS AND EXPENDITURES (EXCLUSIVE OF PURCHASES AND SALES OF INVESTMENTS)

	Cumulative to June 30, 1942	Increase or decrease (—), fiscal year 1943	Cumulative to June 30, 1943
Receipts:			
Appropriations	$639,350,000.00	$214,801,000.00	$854,151,000.00
Interest and profits on investments	11,572,131.47	5,776,849.34	17,348,980.81
Total receipts	650,922,131.47	220,577,849.34	871,499,980.81
Expenditures:			
Annuity payments and refunds	546,139,632.13	130,464,800.65	676,604,432.78
Balance	104,782,499.34	90,113,048.69	194,895,548.03

II. ASSETS HELD BY THE TREASURY DEPARTMENT

	June 30, 1942	Increase or decrease (—), fiscal year 1943	June 30, 1943
Investments:			
3% special Treasury notes, railroad retirement account series, maturing:			
June 30, 1946	$91,500,000.00	—$91,500,000.00	
June 30, 1947		178,000,000.00	$178,000,000.00
Total investments	91,500,000.00	86,500,000.00	178,000,000.00
Unexpended balances:			
To credit of disbursing officers	11,685,859.49	1,089,920.87	12,775,780.36
On books of the Division of Bookkeeping and Warrants	1,596,639.85	2,523,127.82	[1] 4,119,767.67
Total assets	104,782,499.34	90,113,048.69	194,895,548.03

[1] Excludes $77.95 representing deposit in transit.

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TABLE 73.—*Unemployment trust fund, June 30, 1943*

[On basis of daily Treasury statements, see p. 459. This trust fund was established in accordance with the provisions of sec. 904 (a) of the Social Security Act of August 14, 1935 (49 Stat. 640). For further details see annual report of the Secretary for 1941, p. 145]

I. RECEIPTS AND EXPENDITURES (EXCLUSIVE OF PURCHASES AND SALES OF INVESTMENTS)

	State unemployment agencies			Railroad unemployment insurance account[1]			Total, unemployment trust fund		
	Cumulative to June 30, 1942	Increase, fiscal year 1943	Cumulative to June 30, 1943	Cumulative to June 30, 1942	Increase, fiscal year 1943	Cumulative to June 30, 1943	Cumulative to June 30, 1942	Increase, fiscal year 1943	Cumulative to June 30, 1943
Receipts:									
Deposits	$4,717,349,236.32	$1,217,685,690.47	$5,935,034,926.79	$181,861,784.07	$92,441,371.94	$274,303,156.01	$4,899,211,020.39	$1,310,127,062,41	$6,209,338,082.80
Transfers from State unemployment funds to railroad unemployment insurance account				105,900,768.89		105,900,768.89	105,900,768.89		105,900,768.89
Advance by the Secretary of the Treasury (July 5, 1939)				15,000,000.00		15,000,000.00	15,000,000.00		15,000,000.00
Transfers from railroad unemployment insurance administration fund (act of Oct. 10, 1940)				11,409,667.00	5,973,300.00	17,382,967.00	11,409,667.00	5,973,300.00	17,382,967.00
Subtotal	4,717,349,236.32	1,217,685,690.47	5,935,034,926.79	314,172,219.96	98,414,671.94	412,586,891.90	5,031,521,456.28	1,316,100,362.41	6,347,621,818.69
Interest on investments	190,252,324.84	75,568,194.41	265,820,519.25	8,684,516.75	6,855,602.82	15,540,119.57	198,936,841.59	82,423,797.23	281,360,638.82
Total receipts	4,907,601,561.16	1,293,253,884.88	6,200,855,446.04	322,856,736.71	105,270,274.76	428,127,011.47	5,230,458,297.87	1,398,524,159.64	6,628,982,457.51
Expenditures:									
Withdrawals by States	1,918,046,340.27	174,333,500.00	2,092,379,840.27				1,918,046,340.27	174,333,500.00	2,092,379,840.27
Transfers to railroad unemployment insurance account from State unemployment funds	105,900,768.89		105,900,768.89				105,900,768.89		105,900,768.89
Repayment of advance to the Secretary of the Treasury (January 1940)				15,000,000.00		15,000,000.00	15,000,000.00		15,000,000.00
Subtotal	2,023,947,109.16	174,333,500.00	2,198,280,609.16	15,000,000.00		15,000,000.00	2,038,947,109.16	174,333,500.00	2,213,280,609.16
Railroad unemployment benefit payments and refunds				41,408,603.95	1,833,659.73	43,242,263.68	41,408,603.95	1,833,659.73	43,242,263.68
Total expenditures	2,023,947,109.16	174,333,500.00	2,198,280,609.16	56,408,603.95	1,833,659.73	58,242,263.68	2,080,355,713.11	176,167,159.73	2,256,522,872.84
Balance	2,883,654,452.00	1,118,920,384.88	4,002,574,836.88	266,448,132.76	103,436,615.03	369,884,747.79	3,150,102,584.76	1,222,356,999.91	4,372,459,584.67

[1] Railroad Unemployment Insurance Act, approved June 25, 1938.

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TABLE 73.—*Unemployment trust fund, June 30, 1943*—Continued

II. ASSETS HELD BY THE TREASURY DEPARTMENT

	June 30, 1942	Increase or decrease (—), fiscal year 1943	June 30, 1943
Investments:			
Special Treasury certificates of indebtedness, unemployment trust fund:			
2¼% series maturing June 30, 1943	$3,114,000,000.00	—$3,114,000,000.00	
1⅞% series maturing June 30, 1944		4,257,000,000.00	$4,257,000,000.00
Treasury bonds:			
2½% of 1962–67	25,000,000.00	25,000,000.00	50,000,000.00
2½% of 1963–68		40,000,000.00	40,000,000.00
2½% of 1964–69		20,000,000.00	20,000,000.00
Total investments	3,139,000,000.00	1,228,000,000.00	4,367,000,000.00
Unexpended balances:			
Cash with the Treasurer of the United States	7,761,188.71	—3,809,340.36	3,951,848.35
To credit of disbursing officers	3,341,396.05	—1,833,659.73	1,507,736.32
Total assets	3,150,102,584.76	1,222,356,999.91	4,372,459,584.67

III. AMOUNTS OF UNEMPLOYMENT TRUST FUND, CUMULATIVE TO JUNE 30, 1943, CREDITED TO THE ACCOUNT OF EACH STATE AGENCY AND TO THE RAILROAD UNEMPLOYMENT INSURANCE ACCOUNT

	Total deposits	Net earnings credited to account	Total withdrawals from account	Balance June 30, 1943
State unemployment agencies:				
Alabama	$63,930,843.42	$2,576,371.47	$24,685,000.00	$41,822,214.89
Alaska	4,823,448.52	178,297.15	1,353,378.48	3,648,367.19
Arizona	16,101,771.78	536,437.38	6,462,234.97	10,175,974.19
Arkansas	25,129,114.67	1,023,645.79	9,247,846.36	16,904,914.10
California	569,779,846.82	23,336,396.41	229,613,779.44	363,502,463.79
Colorado	32,602,283.22	1,586,819.22	12,312,040.19	21,877,062.25
Connecticut	128,784,000.00	6,136,090.55	29,531,996.24	105,388,094.31
Delaware	13,892,314.47	895,075.41	3,153,069.51	11,634,320.37
District of Columbia	43,713,451.48	2,673,950.60	9,504,229.25	36,883,172.83
Florida	45,969,820.77	1,760,204.98	22,093,550.60	25,636,475.15
Georgia	61,612,192.82	3,196,964.02	19,388,698.83	45,420,458.01
Hawaii	13,136,727.56	849,420.90	1,001,881.25	12,984,267.21
Idaho	14,817,097.27	464,602.77	7,363,013.78	7,918,686.26
Illinois	471,700,013.81	25,624,175.85	147,714,013.81	349,610,175.85
Indiana	154,460,027.51	6,879,247.78	56,439,592.27	104,899,683.02
Iowa	50,924,000.00	2,425,865.45	18,932,341.32	34,417,524.13
Kansas	38,389,919.67	1,963,505.68	11,149,508.29	29,203,917.06
Kentucky	72,183,000.00	4,229,707.21	18,122,978.21	58,289,729.00
Louisiana	65,142,000.00	2,527,740.87	31,029,639.06	36,640,101.81
Maine	32,252,000.00	840,777.93	14,332,337.04	18,760,440.89
Maryland	98,690,000.00	3,451,324.11	33,120,347.37	69,020,976.74
Massachusetts	253,110,000.00	11,838,220.73	110,812,725.57	154,135,495.16
Michigan	327,352,425.13	11,362,494.93	165,831,485.64	172,883,434.42
Minnesota	82,527,776.10	3,249,207.73	41,901,982.32	43,875,001.51
Mississippi	20,627,978.76	696,868.20	9,260,412.60	12,064,434.36
Missouri	124,679,668.20	7,661,139.56	32,971,464.25	99,369,343.51
Montana	18,217,497.20	757,166.81	8,967,604.06	10,007,059.95
Nebraska	21,044,135.90	1,210,932.09	7,266,585.10	14,988,482.89
Nevada	8,445,320.17	236,827.76	3,421,734.46	5,260,413.47
New Hampshire	22,400,068.01	968,147.71	9,318,106.20	14,050,109.52
New Jersey	319,411,000.00	17,694,559.18	71,568,521.02	265,537,038.16
New Mexico	9,450,000.00	408,031.56	4,279,544.78	5,578,486.78
New York	887,472,401.87	32,076,596.74	419,155,977.24	500,393,021.37
North Carolina	82,714,000.00	3,513,088.37	26,263,334.43	59,963,753.94
North Dakota	5,611,257.84	288,507.03	2,656,479.75	3,243,285.12
Ohio	363,738,574.72	22,577,019.33	84,439,005.70	301,876,588.35
Oklahoma	42,081,000.00	2,364,059.89	14,829,133.15	29,615,926.74
Oregon	52,238,556.05	1,749,120.69	19,299,892.41	34,687,784.33
Pennsylvania	590,610,000.00	21,455,591.37	218,498,998.97	393,566,592.40
Rhode Island	70,780,727.95	2,181,208.83	32,131,992.23	40,829,944.55
South Carolina	32,438,000.00	1,709,156.18	9,825,743.96	24,321,412.22
South Dakota	6,140,400.00	409,738.35	1,755,304.23	4,794,834.12
Tennessee	66,060,000.00	2,261,925.07	30,326,440.15	37,995,484.92
Texas	133,953,000.00	7,311,982.29	44,427,030.42	96,837,951.87
Utah	21,180,367.70	655,085.54	8,891,975.53	12,943,477.71
Vermont	10,384,625.41	479,037.28	3,487,074.06	7,376,588.63
Virginia	63,977,000.00	2,857,440.42	24,748,850.22	42,085,590.20
Washington	90,885,602.61	3,653,221.55	25,744,678.53	68,794,145.63
West Virginia	68,289,467.76	2,593,063.21	26,921,586.39	43,960,944.58

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TABLE 73.—*Unemployment trust fund, June 30, 1943*—Continued

III. AMOUNTS OF UNEMPLOYMENT TRUST FUND, CUMULATIVE TO JUNE 30, 1943, CREDITED TO THE ACCOUNT OF EACH STATE AGENCY AND TO THE RAILROAD UNEMPLOYMENT INSURANCE ACCOUNT—Con.

	Total deposits	Net earnings credited to account	Total withdrawals from account	Balance June 30, 1943
State unemployment agencies—Con.				
Wisconsin	$113,541,982.39	$8,205,201.02	$29,234,429.67	$92,512,753.74
Wyoming	8,436,447.35	342,693.34	4,007,039.85	4,772,100.84
Total	5,935,833,154.91	265,923,954.29	2,198,796,609.16	4,002,960,500.04
Adjustments to daily Treasury statement basis:				
Deposits not cleared by the Treasurer of the United States	−798,228.12			−798,228.12
Outstanding checks			−516,000.00	516,000.00
Accrued interest credited to State account		−103,435.04		−103,435.04
Total, on basis of daily Treasury statements	5,935,034,926.79	265,820,519.25	2,198,280,609.16	4,002,574,836.88
Railroad unemployment insurance account:				
Deposits of Railroad Retirement Board	274,303,156.01			274,303,156.01
Transfers from State unemployment funds	105,900,768.89			105,900,768.89
Interest on investments		15,549,389.45		15,549,389.45
Transfers to chief disbursing officer			44,750,000.00	−44,750,000.00
Appropriation advance and repayment	15,000,000.00		15,000,000.00	
Transfers from administration fund	17,382,967.00			17,382,967.00
Total	412,586,891.90	15,549,389.45	59,750,000.00	368,386,281.35
Adjustments to daily Treasury statement basis:				
Deposits not cleared by the Treasurer of the United States				
Accrued interest credited to insurance account		−9,269.88		−9,269.88
Cash with disbursing officers			−1,507,736.32	1,507,736.32
Total, on basis of daily Treasury statements	412,586,891.90	15,540,119.57	58,242,263.68	369,884,747.79
Total unemployment trust fund, as shown in the daily Treasury statement	6,347,621,818.69	281,360,638.82	2,256,522,872.84	4,372,459,584.67

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TABLE 74.—*Foreign service retirement and disability fund, June 30, 1943*

[On basis of daily Treasury statements, see p. 459. This trust fund was established in accordance with the provisions of sec. 18 of the act of May 24, 1924 (43 Stat. 144). For further details see annual report of the Secretary for 1941, p. 138]

I. RECEIPTS AND EXPENDITURES (EXCLUSIVE OF PURCHASES AND SALES OF INVESTMENTS)

	Cumulative to June 30, 1942	Increase, fiscal year 1943	Cumulative to June 30, 1943
Receipts:			
On account of deductions from basic compensation and service credit payments of employees subject to retirement act	$3,587,953.27	$291,053.17	$3,879,006.44
Appropriations	3,881,200.00	630,800.00	4,512,000.00
Interest and profits on investments	1,579,919.20	242,978.75	1,822,897.95
Total receipts	9,049,072.47	1,164,831.92	10,213,904.39
Expenditures:			
Annuity payments and refunds	3,551,909.63	480,558.34	4,032,467.97
Balance	5,497,162.84	684,273.58	6,181,436.42

II. ASSETS HELD BY THE TREASURY DEPARTMENT

	June 30, 1942	Increase or decrease (−), fiscal year 1943	June 30, 1943
Investments:			
4% special Treasury notes, foreign service retirement fund series, maturing:			
June 30, 1943	$738,000.00	−$738,000.00	
June 30, 1944	872,000.00		$872,000.00
June 30, 1945	1,602,000.00		1,602,000.00
June 30, 1946	1,437,000.00		1,437,000.00
June 30, 1947	793,000.00	813,000.00	1,606,000.00
June 30, 1948		598,000.00	598,000.00
Total investments	5,442,000.00	673,000.00	6,115,000.00
Unexpended balances:			
To credit of disbursing officers	52,366.84	8,981.55	61,348.39
On books of the Division of Bookkeeping and Warrants	[1] 2,796.00	2,292.03	5,088.03
Total assets	5,497,162.84	684,273.58	6,181,436.42

[1] Exclusive of $71.08 representing deposits in transit.

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TABLE 75.—*Library of Congress trust fund, June 30, 1943*

[This trust fund was established in accordance with the provisions of the act of Mar. 3, 1925 (43 Stat. 1107). For further details see annual report of the Secretary for 1941, p. 149]

I. ASSETS HELD BY THE TREASURY DEPARTMENT AND CERTAIN FEDERAL RESERVE BANKS, SUBJECT TO THE ORDER OF THE SECRETARY OF THE TREASURY, FOR ACCOUNT OF THE LIBRARY OF CONGRESS TRUST FUND BOARD[1]

	June 30, 1942	Increase or decrease (−), fiscal year 1943	June 30, 1943
Investments (face value):			
Government securities:			
2% Treasury notes due Sept. 15, 1942	$4,200.00	−$4,200.00	
Other securities:			
William E. Benjamin donation			
1,352 shares, common stock, Standard Oil Co. of California	33,800.00		$33,800.00
R. R. Bowker donation			
7% German external loan bonds, German Government	2,000.00		2,000.00
6½% sinking fund gold bonds, Japanese Government	2,000.00		2,000.00
48 shares, common stock, American Telephone and Telegraph Co	4,800.00		4,800.00
Carnegie donation			
5% first and refunding mortgage bonds, Missouri Pacific R. R. Co	5,000.00		5,000.00
Elizabeth Sprague Coolidge donation			
5% first mortgage bonds, Chicago Railways Co	3,750.00		3,750.00
5% first and refunding mortgage bonds, Missouri Pacific R. R. Co	2,000.00		2,000.00
100 shares, common stock, American Ship Building Co.	6,000.00		6,000.00
171 shares, common stock, American Telephone and Telegraph Co	17,100.00		17,100.00
7 shares, common stock, Board of Trade Building Trust of Boston	700.00		700.00
496 shares, common stock, Commonwealth Edison Co.	12,400.00		12,400.00
Friends of Music in the Library of Congress donation			
4½% debenture bonds, Pennsylvania R. R. Co		2,000.00	2,000.00
10 shares, stock, Washington Gas Light Co		150.00	150.00
Archer M. Huntington donation			
5% first and refunding mortgage bonds, Missouri Pacific R. R. Co	49,500.00		49,500.00
Joseph Pennell donation			
4% general consolidated mortgage gold bonds, Lehigh Valley R. R. Co	5,000.00		5,000.00
5½% general mortgage gold bonds, Great Northern Ry. Co	2,000.00	−2,000.00	
6% secured gold note, National Railways of Mexico	45.00		45.00
4½% prior lien gold bonds, National Railways of Mexico	3,000.00		3,000.00
4½% general mortgage bonds, Pennsylvania R. R. Co.	5,000.00	−5,000.00	
4¼% general mortgage bonds, Pennsylvania R. R. Co.	5,000.00		5,000.00
5% consolidated mortgage bonds, Pennsylvania and New York Canal and R. R. Co	1,000.00		1,000.00
4½% general and refunding mortgage bonds, Reading Co	11,000.00		11,000.00
9 shares, preferred stock, Consolidated Coal Co	900.00		900.00
36 shares, common stock, Consolidated Coal Co	900.00		900.00
5% sinking fund bonds, Consolidated Coal Co	1,200.00		1,200.00
5% sinking fund gold bonds, Philadelphia and Reading Coal and Iron Co	1,000.00		1,000.00
Rights to interest in arrears, United States of Mexico	429.30		429.30
Rights to interest in arrears, United States of Mexico	810.00		810.00
6 shares, preferred stock, Lehigh Valley Coal	300.00		300.00
134 shares, common stock, Pennsylvaina R. R. Co.	6,700.00		6,700.00
105 shares, common stock, Westmoreland Coal, Co.	2,100.00		2,100.00
Common stock, Westmoreland, Inc.	1,050.00		1,050.00
Total other securities	186,484.30	−4,850.00	181,634.30
Total investments	190,684.30	−9,050.00	181,634.30

[1] Does not include 50 shares of Bowden Wire, Ltd., par value £1 per share, and 30 shares of Syndicat Francois des Brevets E. M. Bowden, Ltd., par value £1 per share, held for Pennell donation. Also does not include securities held as investments for Huntington donation under deed of trust dated November 17, 1936, adminstered by designated trustees, including Bank of New York.

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TABLE 75.—*Library of Congress trust fund, June 30, 1943*—Continued

I. ASSETS HELD BY THE TREASURY DEPARTMENT AND CERTAIN FEDERAL RESERVE BANKS, SUBJECT TO THE ORDER OF THE SECRETARY OF THE TREASURY, FOR ACCOUNT OF THE LIBRARY OF CONGRESS TRUST FUND BOARD—Continued

	June 30, 1942	Increase or decrease (−), fiscal year 1943	June 30, 1943
Mortgages, real estate, etc.:			
Pennell donation			
Mortgages (face value):			
W. Norris St., Philadelphia, Pa.	$3,450.00	−$150.00	$3,300.00
Spruce St., Stonehurst, Delaware County, Pa.	4,075.00	−1,112.50	2,962.50
Osage Ave., Philadelphia, Pa.	2,100.00	−200.00	1,900.00
Chestnut St., Philadelphia, Pa.	898.00	−20.41	877.59
South St. and rear 2108 Rodman St., Philadelphia, Pa.	1,300.00	−100.00	1,200.00
N. 31st. St., Philadelphia, Pa.	4,500.00	−200.00	4,300.00
West Drexel Road, Landsdowne, Pa.	4,150.00	−400.00	3,750.00
Real estate, etc. (book value):			
Delancy St., Philadelphia, Pa.	4,197.35		4,197.35
Pine St., Philadelphia, Pa.	13,496.65		13,496.65
N. Frazier St., Philadelphia, Pa.	7,364.16	−200.00	7,164.16
Ritner St., Philadelphia, Pa.	5,759.19		5,759.19
Reese St., Philadelphia, Pa.	2,316.45		2,316.45
Boston Ave., Philadelphia, Pa.	2,686.79		2,686.79
Poplar St., Philadelphia, Pa. (ground rent)	1,500.00		1,500.00
Porter donation			
Real estate located at 16th and Eye Sts. N.W., Washington, D.C.	[2]		[2]
Total mortgages, real estate, etc.	57,793.59	−2,382.91	55,410.68
Unexpended balances on books of the Division of Bookkeeping and Warrants:			
Permanent loan fund:			
Babine	6,684.74		6,684.74
Beethoven	12,088.13		12,088.13
Bowker	1,169.06		1,169.06
Carnegie	88,365.58		88,365.58
Coolidge	108,294.07		108,294.07
Friends of Music in the Library of Congress		3,192.85	3,192.85
Guggenheim	90,654.22		90,654.22
Huntington	113,396.99		113,396.99
Longworth	7,691.59		7,691.59
Pennell	213,527.07	12,285.02	225,812.09
Whittall	285,000.00	25,000.00	310,000.00
Wilbur	305,813.57		305,813.57
Total permanent loan fund	1,232,685.02	40,477.87	1,273,162.89
Total assets	1,481,162.91	29,044.96	1,510,207.87

II. LIBRARY OF CONGRESS TRUST FUND EARNINGS TO JUNE 30, 1943

Donation	Cumulative to June 30, 1942	Fiscal year 1943	Cumulative to June 30, 1943
	Income account, securities, real estate, etc.		
Babine	$1,785.58		$1,785.58
Beethoven	4,429.73		4,429.73
Benjamin	35,413.30	$2,230.80	37,644.10
Bowker	1,943.36	432.00	2,375.36
Carnegie	36,838.36	250.00	37,088.36
Coolidge	101,307.23	2,918.15	104,225.38
Friends of Music in the Library of Congress		104.47	104.47
Guggenheim	32,759.36		32,759.36
Huntington	109,022.11	[3] 10,075.72	119,097.83
Longworth	757.02		757.02
Pennell	54,739.69	6,310.29	61,049.98
Porter	7,633.44	4,947.54	12,580.98
Wilbur	107,345.09		107,345.09
Total	493,974.27	27,268.97	521,243.24

[2] Upon sale of premises, one-half of proceeds to go to Library of Congress Trust Fund Board and one-half to the Smithsonian Institution.

[3] Includes income under deed of trust dated Nov. 17, 1936, administered by designated trustees, including Bank of New York.

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TABLE 75.—*Library of Congress trust fund, June 30, 1943*—Continued

II. LIBRARY OF CONGRESS TRUST FUND EARNINGS TO JUNE 30, 1943—Continued

Donation	Cumulative to June 30, 1942	Fiscal year 1943	Cumulative to June 30, 1943
	Income account, permanent loan fund		
Babine	$1,331.50	$267.39	$1,598.89
Beethoven	1,883.74	483.52	2,367.26
Bowker	48.37	46.76	95.13
Carnegie	16,739.87	3,534.62	20,274.49
Coolidge	18,655.48	4,331.76	22,987.24
Friends of Music in the Library of Congress		101.52	101.52
Guggenheim	14,146.58	3,626.16	17,772.74
Huntington	22,679.40	4,535.88	27,215.28
Longworth	1,530.01	307.66	1,837.67
Pennell	27,566.16	8,751.11	36,317.27
Whittall	49,179.26	11,441.44	60,620.70
Wilbur	56,411.44	12,232.56	68,644.00
Total	210,171.81	49,660.38	259,832.19
Grand total	704,146.08	76,929.35	781,075.43

TABLE 76.—*Longshoremen's and harbor workers' compensation fund—Assets held by the Treasury Department, June 30, 1943*

[This trust fund was established in accordance with the provisions of the act of Mar. 4, 1927 (44 Stat. 1444)
For further details see annual report of the Secretary for 1941, p. 141]

	June 30, 1942	Increase or decrease (—), fiscal year 1943	June 30, 1943	
Investments:				
Government securities:				
Treasury bonds:	*Principal cost*		*Par value*	*Principal cost*
3¼% of 1943–45	$11,550.00	—$11,550.00		
3¼% of 1944–46	15,600.00		$15,600.00	$15,600.00
4¼% of 1947–52	38,646.56		34,500.00	38,646.56
2% of 1948–50	10,000.00		10,000.00	10,000.00
3% of 1951–55	9,959.38		10,000.00	9,959.38
2½% of 1952–54	35,000.00		35,000.00	35,000.00
2⅞% of 1955–60	14,920.25		14,800.00	14,920.25
2¾% of 1956–59	14,976.20		14,850.00	14,976.20
2¾% of 1958–63	15,936.38		15,600.00	15,936.38
2¾% of 1960–65	14,985.94		13,900.00	14,985.94
2½% of 1962–67	23,000.00		23,000.00	23,000.00
2½% of 1964–69		11,500.00	11,500.00	11,500.00
Total Government securities	204,574.71	—50.00	198,750.00	204,524.71
Government-guaranteed securities:				
3¼% Federal farm mortgage bonds of 1944–64	9,953.46		9,700.00	9,953.46
Other securities:				
3¼% consolidated Federal farm loan bonds of 1945–55	9,901.74		9,700.00	9,901.74
3% consolidated Federal farm loan bonds of:				
1945–55	21,560.00		22,000.00	21,560.00
1946–56	10,972.50		11,000.00	10,972.50
Total other securities	42,434.24		42,700.00	42,434.24
Total investments	256,962.41	—50.00	251,150.00	256,912.41
Unexpended balances:				
To credit of disbursing officers	r2,697.99	1,882.35		4,580.34
On books of the Division of Bookkeeping and Warrants	8,199.14	57,872.12		66,071.26
Total assets	r267,859.54	59,704.47		327,564.01

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TABLE 77.—*National Archives gift fund, June 30, 1943*

[This trust fund was established in accordance with the provisions of the National Archives Trust Fund Board Act of July 9, 1941 (55 Stat. 581)]

I. RECEIPTS AND EXPENDITURES

	Cumulative to June 30, 1942	Increase or decrease (−), fiscal year 1943	Cumulative to June 30, 1943
Receipts:			
Donations:			
Mr. and Mrs. Hall Clovis	$30,000.00		$30,000.00
Miscellaneous	500.00	$1,000.00	1,500.00
Total receipts	30,500.00	1,000.00	31,500.00
Expenditures	833.87	1,054.46	1,888.33
Balance	29,666.13	−54.46	29,611.67

II. ASSETS HELD BY THE TREASURY DEPARTMENT

	June 30, 1942	Increase or decrease (−), fiscal year 1943	June 30, 1943
Unexpended balances:			
To credit of disbursing officer	$1,166.13	−$154.46	$1,011.67
On books of the Division of Bookkeeping and Warrants	28,500.00	100.00	28,600.00
Total assets	29,666.13	−54.46	29,611.67

TABLE 78.—*National Cancer Institute gift fund, June 30, 1943*

[This trust fund was established under sec. 6 of the National Cancer Institute Act of Aug 5, 1937 (50 Stat. 561). For further details see annual report of the Secretary for 1941, p. 152]

CONDITIONAL GIFT FUND,

I. RECEIPTS AND EXPENDITURES

	Cumulative to June 30, 1942	Fiscal year 1943	Cumulative to June 30, 1943
Receipts:			
Donation by American Society for the Control of Cancer	$120.00		$120.00
Expenditures			
Balance	120.00		120.00

II. ASSETS HELD BY THE TREASURY DEPARTMENT

	June 30, 1942	Fiscal year 1943	June 30, 1943
Unexpended balance on books of the Division of Bookkeeping and Warrants	$120.00		$120.00

UNCONDITIONAL GIFT FUND

I. RECEIPTS AND EXPENDITURES

	Cumulative to June 30, 1942	Increase, fiscal year 1943	Cumulative to June 30, 1943
Receipts:			
Donation by Lt. Col. Stanley C. Ramsden	$100.00		$100.00
Miscellaneous		$21.00	21.00
Total receipts	100.00	21.00	121.00
Expenditures	50.00		50.00
Balance	50.00	21.00	71.00

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TABLE 78.—*National Cancer Institute gift fund, June 30, 1943*—Continued

UNCONDITIONAL GIFT FUND—Continued

II. ASSETS HELD BY THE TREASURY DEPARTMENT

	June 30, 1942	Increase, fiscal year 1943	June 30, 1943
Unexpended balance on books of the Division of Bookkeeping and Warrants	$50.00	$21.00	$71.00

TABLE 79.—*National Institute of Health gift fund, June 30, 1943*

[This trust fund was established in accordance with the provisions of the act of May 26, 1930 (46 Stat. 379). For further details see annual report of the Secretary for 1941, p. 152]

CONDITIONAL GIFT FUND

I. RECEIPTS AND EXPENDITURES (EXCLUSIVE OF PURCHASES AND SALES OF INVESTMENTS)

	Cumulative to June 30, 1942	Increase, fiscal year 1943	Cumulative to June 30, 1943
Receipts:			
Donations:			
American Dental Association	$5,000.00	$5,000.00	$10,000.00
Chemical Foundation	100,000.00		100,000.00
Corn Industries Research Foundation	20,000.00		20,000.00
Josiah Macy, Jr., Foundation	5,600.00		5,600.00
Rockefeller Foundation	22,000.00		22,000.00
The National Foundation for Infantile Paralysis, Inc	17,500.00	3,500.00	21,000.00
Total	170,100.00	8,500.00	178,600.00
Earnings on investments (Chemical Foundation)	41,906.83	3,357.50	45,264.33
Total receipts	212,006.83	11,857.50	223,864.33
Expenditures (warrants-issued basis):			
Advances to disbursing officers to meet expenditures on account of the Institute:			
American Dental Association	4,500.00	3,500.00	8,000.00
Chemical Foundation	52,502.48	1,000.00	53,502.48
Corn Industries Research Foundation	18,916.64		18,916.64
Josiah Macy, Jr., Foundation	5,600.00		5,600.00
Rockefeller Foundation:			
Dental survey	15,000.00		15,000.00
County health work	7,000.00		7,000.00
The National Foundation for Infantile Paralysis, Inc	16,986.50	1,747.00	18,733.50
Total expenditures	120,505.62	6,247.00	126,752.62
Balance	91,501.21	5,610.50	97,111.71

II. ASSETS HELD BY THE TREASURY DEPARTMENT

	June 30, 1942	Increase, fiscal year 1943	June 30, 1943
Investments:			
4¼% Treasury bonds of 1947–52 (par value $79,000)	$88,138.51		$88,138.51
Unexpended balance on books of the Division of Bookkeeping and Warrants:			
American Dental Association	500.00	$1,500.00	2,000.00
Chemical Foundation	1,265.84	2,357.50	3,623.34
Corn Industries Research Foundation	1,083.36		1,083.36
The National Foundation for Infantile Paralysis, Inc	513.50	1,753.00	2,266.50
Total unexpended balance	3,362.70	5,610.50	8,973.20
Total assets	91,501.21	5,610.50	97,111.71

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TABLE 79.—*National Institute of Health gift fund, June 30, 1943*—Continued

UNCONDITIONAL GIFT FUND

I. RECEIPTS AND EXPENDITURES

	Cumulative to June 30, 1942	Fiscal year 1943	Cumulative to June 30, 1943
Receipts:			
Donations:			
E. D. Crossman	$900.00		$900.00
National Merchant Marine Association	296.78		296.78
Miscellaneous	62.00		62.00
Total receipts	1,258.78		1,258.78
Expenditures			
Balance	1,258.78		1,258.78

II. ASSETS HELD BY THE TREASURY DEPARTMENT

	June 30, 1942	Fiscal year 1943	June 30, 1943
Unexpended balance on books of the Division of Bookkeeping and Warrants	$1,258.78		$1,258.78

TABLE 80.—*National park trust fund, June 30, 1943*

[This trust fund was established in accordance with the provisions of the act of July 10, 1935 (49 Stat. 477). For further details see annual report of the Secretary for 1941, p. 153]

I. RECEIPTS AND EXPENDITURES (EXCLUSIVE OF PURCHASES AND SALES OF INVESTMENTS)

	Cumulative to June 30, 1942	Increase, fiscal year 1943	Cumulative to June 30, 1943
Receipts:			
Donations:			
Alexander Korda Productions	$250.00		$250.00
Kodak Hawaii, Ltd	202.50		202.50
Frank Lloyd Productions, Inc		$150.00	150.00
Loew's, Inc	1,000.00	50.00	1,050.00
Metro-Goldwyn-Mayer Distributing Corporation	50.00		50.00
Metro-Goldwyn-Mayer Corporation	3,000.00		3,000.00
Metro-Goldwyn-Mayer Pictures	5,000.00		5,000.00
Newton B. Drury	20.00	10.00	30.00
Paramount Pictures, Inc	304.00		304.00
R. K. O. Radio Pictures, Inc		200.00	200.00
Twentieth Century Fox Film Corporation	1,175.00	50.00	1,225.00
Universal Pictures Corporation	3,000.00	200.00	3,200.00
Walter Wanger Productions, Inc	900.00		900.00
Warner Bros. Pictures, Inc	1,050.00		1,050.00
Total	15,951.50	660.00	16,611.50
Interest earned on investments	2,090.93	339.22	2,430.15
Total receipts	18,042.43	999.22	19,041.65
Expenditures			
Balance	18,042.43	999.22	19,041.65

II. ASSETS HELD BY THE TREASURY DEPARTMENT

	June 30, 1942	Increase or decrease (—), fiscal year 1943	June 30, 1943
Investments:			
Treasury bonds:			
2½% of 1952–54	$1,700.00		$1,700.00
2⅞% of 1955–60	[1] 14,548.54		[1] 14,548.54
2½% of 1967–72	1,000.00		1,000.00
2½% of 1963–68		$1,000.00	1,000.00
Total investments	17,248.54	1,000.00	18,248.54
Unexpended balances:			
To credit of disbursing officers	206.40		206.40
On books of the Division of Bookkeeping and Warrants	587.49	—.78	586.71
Total assets	18,042.43	999.22	19,041.65

[1] Par value $14,200.

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TABLE 81.—*National service life insurance fund, June 30, 1943*

[On basis of daily Treasury statements, see p. 459. This trust fund was established pursuant to Title VI of Public No. 801, approved Oct. 8, 1940 (54 Stat. 1012). For further details see annual report of the Secretary for 1941, p. 143]

I. RECEIPTS AND EXPENDITURES (EXCLUSIVE OF PURCHASES AND SALES OF INVESTMENTS)

	Cumulative to June 30, 1942	Increase, fiscal year 1943	Cumulative to June 30, 1943
Receipts:			
Premiums and other receipts	$48,378,034.80	$293,930,783.77	$342,308,818.57
Interest and profits on investments	448,976.72	4,967,969.16	5,416,945.88
Transfers from General Fund [1]	1,047,057.65	30,494,600.17	31,541,657.82
Total receipts	49,874,069.17	329,393,353.10	379,267,422.27
Expenditures:			
Benefit payments and refunds	894,793.60	19,253,509.96	20,148,303.56
Balance	48,979,275.57	310,139,843.14	359,119,118.71

II. ASSETS HELD BY THE TREASURY DEPARTMENT

	June 30, 1942	Increase or decrease (—), fiscal year 1943	June 30, 1943
Investments:			
3% special Treasury notes, national service life insurance fund series, maturing:			
June 30, 1945	$2,800,000.00		$2,800,000.00
June 30, 1946	35,440,000.00		35,440,000.00
June 30, 1947	535,000.00	[2] $312,950,000.00	313,485,000.00
Total investments	[3] 38,775,000.00	312,950,000.00	351,725,000.00
Unexpended balances:			
To credit of disbursing officers	[4] 9,553,167.52	—2,159,048.81	7,394,118.71
On books of the Division of Bookkeeping and Warrants	[5] 651,108.05	—651,108.05	
Total assets	48,979,275.57	310,139,843.14	359,119,118.71

[1] There has been appropriated through June 30, 1943, the amount of $297,770,000 available to the Veterans' Administration for transfer, in accordance with the provisions of the National Service Life Insurance Act of 1940.
[2] Excludes transit item referred to in note 3.
[3] Includes an investment in the amount of $1,160,000 payment for which was in transit as of June 30, 1942.
[4] Effect given to expenditures in transit referred to in footnote 3.
[5] Includes $438,616.59 representing transfer counter warrants in transit.

TABLE 82.—*Pershing Hall Memorial fund, June 30, 1943*

[This special fund was established in accordance with the provisions of the act of June 28, 1935 (49 Stat. 426.) For further details see annual report of the Secretary for 1941, p. 155]

I. RECEIPTS AND EXPENDITURES (EXCLUSIVE OF PURCHASES AND SALES OF INVESTMENTS)

	Cumulative to June 30, 1942	Increase, fiscal year 1943	Cumulative to June 30, 1943
Receipts:			
Appropriations	$482,032.92		$482,032.92
Interest and profits on investments	31,922.03	$5,042.72	36,964.75
Total receipts	513,954.95	5,042.72	518,997.67
Expenditures:			
On account of current claims and expenses	288,629.70		288,629.70
On account of National Treasurer, American Legion	23,784.75		23,784.75
Total expenditures	312,414.45		312,414.45
Balance	201,540.50	5,042.72	206,583.22

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TABLE 82.—*Pershing Hall Memorial fund, June 30, 1943*—Continued

II. ASSETS HELD BY THE TREASURY DEPARTMENT

	June 30, 1942	Increase or decrease (—), fiscal year 1943	June 30, 1943
Investments:			
2¾% Treasury bonds of 1951–54 (par value $191,300)	$193,262.42	[1] —$218.04	$193,044.38
Unexpended balances:			
To credit of disbursing officers	2,690.26	—2,690.26	
On books of the Division of Bookkeeping and Warrants	5,587.82	7,951.02	[2] 13,538.84
Total assets	201,540.50	5,042.72	206,583.22

[1] Represents amortization of premium on bonds, in order to adjust fund earnings payable to American Legion, Inc.

[2] Includes $2,521.36 interest and profits on investments and $109.02 repayment representing amortization of premium on bonds. Adjustment to be made by the Division of Bookkeeping and Warrants in the fiscal year 1944.

TABLE 83.—*United States Government life insurance fund—Investments, June 30, 1943*

[This trust fund was established in accordance with the provisions of the act of June 7, 1924 (43 Stat. 607). For further details see annual report of the Secretary for 1941, p. 142]

	June 30, 1942	Increase, or decrease (—), fiscal year 1943	June 30, 1943	
Investments:				
Government securities:				
Treasury bonds:	*Principal cost*		*Par value*	*Principal cost*
4% of 1944–54	$15,078,333.48		$14,106,000.00	$15,078,333.48
3¾% of 1946–56	2,384,625.00		2,200,000.00	2,384,625.00
4¼% of 1947–52	42,234,926.78		40,772,000.00	42,234,926.78
2¾% of 1948–51	5,315,000.01		5,300,000.00	5,315,000.01
2½% of 1950–52	24,710,950.54		24,600,000.00	24,710,950.54
2¾% of 1951–54	17,979,950.02		17,745,000.00	17,979,950.02
3% of 1951–55	6,051,109.38		5,900,000.00	6,051,109.38
2½% of 1952–54	3,000,000.00		3,000,000.00	3,000,000.00
2¼% of 1954–56	20,000,000.00		20,000,000.00	20,000,000.00
2½% of 1955–60	124,639,945.36		122,559,250.00	124,639,945.36
2¾% of 1956–59	37,173,874.80		36,824,300.00	37,173,874.80
2¾% of 1958–63	9,017,525.05		8,840,000.00	9,017,525.05
2¾% of 1960–65	26,151,381.34		25,078,000.00	26,151,381.34
2½% of 1962–67		$25,000,000.00	25,000,000.00	25,000,000.00
2½% of 1963–68		3,100,000.00	3,100,000.00	3,100,000.00
2½% of 1964–69		30,800,000.00	30,800,000.00	30,800,000.00
2½% of 1967–72	41,774,373.28		41,735,450.00	41,774,373.28
Special adjusted service bonds:				
4½% Government life insurance fund series, 1946	500,157,956.40		500,157,956.40	500,157,956.40
Special Treasury notes:				
2% Government life insurance fund series, maturing June 30, 1947	36,650,000.00	1,350,000.00	38,000,000.00	38,000,000.00
Total Government securities	912,319,951.44	60,250,000.00	965,717,956.40	972,569,951.44
Other securities:				
3% consolidated Federal farm loan bonds of:				
1945–55	18,894,400.00		19,280,000.00	18,894,400.00
1946–56	22,662,202.50		22,719,000.00	22,662,202.50
Total other securities	41,556,602.50		41,999,000.00	41,556,602.50
Total investments	953,876,553.94	60,250,000.00	1,007,716,956.40	1,014,126,553.94
Loans:				
Policy loans outstanding [1]	149,346,874.50	—10,995,351.49		138,351,523.01
Adjusted service certificate loans outstanding [1]	3,171,353.09	139,064.61		3,310,417.70
Total outstanding loans	152,518,227.59	—10,856,286.88		141,661,940.71
Total investments in fund	1,106,394,781.53	49,393,713,12		1,155,788,494.65

[1] Includes interest accrued to anniversary dates of loans.

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GOVERNMENT CORPORATIONS AND CREDIT AGENCIES

TABLE 84.—*Combined statement of assets and liabilities of Government corporations and credit agencies, June 30, 1943*

[In thousands of dollars. On basis of reports received from the corporations and agencies]

SUMMARY

Corporation or agency	Assets											Liabilities
	Loans	Preferred capital stock, etc.	Cash [1]	Investments			Accounts and other receivables	Real estate and other business property	Other [2]	Due from Government corporations and agencies [3]	Total	
				United States securities	Securities guaranteed by United States	All other						
Banks for cooperatives	$101,885	----------	$44,111	$33,597	$201	$52,111	$1,769	$59	$64	$44	$233,842	
Commodity Credit Corporation	227,672	----------	[4] 1,253,100	----------	----------	----------	[5] 349,870	27,326	[6] 1,046,792	6,600	2,911,360	
Export-Import Bank of Washington	128,518	----------	1,504	----------	----------	----------	[5] 71,634	22	86	----------	201,764	
Farm Credit Administration	245,334	----------	4,535	----------	----------	----------	1,020	----------	2,822	172,000	425,710	
Federal Crop Insurance Corporation	----------	----------	7,839	----------	----------	----------	4,658	----------	6,280	----------	18,776	
Federal Deposit Insurance Corporation	34,424	----------	27,356	571,549	----------	----------	32,873	71	21,301	482	688,055	
Federal Farm Mortgage Corporation	463,257	----------	6,076	----------	115,000	502,835	44,108	----------	9,079	2,729	1,143,085	
Federal home loan banks	90,192	----------	14,789	154,160	772	----------	704	----------	12	----------	260,628	
Federal Housing Administration	----------	----------	19,074	55,598	----------	20	42,190	1,237	3,683	353	122,154	
Federal intermediate credit banks	296,415	----------	20,061	36,000	----------	----------	1,969	----------	145	28,384	382,974	
Federal land banks [7]	1,489,450	----------	41,065	226,354	101,768	2,940	148,685	5,307	34,052	6,014	2,055,635	
Federal National Mortgage Association	72,628	----------	----------	----------	756	----------	[8] 9,126	30	305	----------	82,845	
Federal Public Housing Authority	[8] 316,807	----------	44,192	7,163	----------	(*)	4,854	175,099	----------	----------	548,116	
Federal Savings and Loan Insurance Corporation	----------	----------	972	136,083	1,204	----------	4,990	----------	----------	----------	143,249	
Home Owners' Loan Corporation	1,441,153	[9] $108,403	47,344	9,984	----------	----------	4,160	2,616	191,459	100,000	1,905,119	
Production credit corporations	----------	----------	746	36,058	----------	90,300	226	46	35	----------	127,410	
Reconstruction Finance Corporation [10]	1,483,375	354,181	[11] 2,746	64,032	----------	8,300	[11] 35,683	918	54,168	5,635,687	7,639,090	
Regional agricultural credit corporations	53,754	----------	11,122	----------	----------	----------	138	----------	149	----------	65,162	
Rural Electrification Administration	344,479	----------	----------	----------	----------	----------	8,961	----------	----------	10,908	364,348	
Tennessee Valley Authority	----------	----------	8,561	71	----------	----------	6,786	634,581	2,082	2,253	654,333	
United States Maritime Commission	20,062	----------	1	----------	----------	81,883	32,580	20,564	4,742,294	4,791	4,902,175	
War Shipping Administration	----------	----------	(*)	----------	----------	----------	160,943	642,089	23,848	24,470	851,349	
Other:												
Disaster Loan Corporation	3,209	----------	1	----------	----------	----------	[8] 15,866	4	100	1,839	21,019	
Farm Security Administration	446,551	----------	----------	----------	----------	----------	27,400	819	599	87,852	563,221	
Federal Prison Industries, Inc	----------	----------	6,216	----------	----------	----------	2,631	6,812	1,471	----------	17,129	
Federal Security Agency—student war loans	2,899	----------	----------	----------	----------	----------	124	----------	----------	----------	3,022	
Inland Waterways Corporation	372	----------	1,113	5,772	----------	----------	657	16,495	33	----------	24,441	
Interior Department—Indian loans	2,726	----------	----------	----------	----------	----------	----------	----------	----------	----------	2,726	
Panama Railroad Company	----------	----------	11,524	8,861	----------	11	706	52,176	117	3,932	77,326	

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Public Works [12]	90,170										90,170
Puerto Rico Reconstruction Administration	6,044	1,220	2,344				287		12,603	5	22,502
RFC Mortgage Company	97,754		1		449		[3] 2,352	6,638	3,952		111,146
Tennessee Valley Associated Cooperatives, Inc.	249	34	13			2					299
Treasury Department:											
Federal savings and loan associations		11,484									11,484
Railroad loans (Transportation Act, 1920)	25,123										25,123
Other:											
Advances to Federal Reserve Banks for industrial loans									27,546		27,546
Loans to District of Columbia	1,500										1,500
Securities received by Bureau of Internal Revenue in settlement of tax liabilities									60		60
Securities received from Reconstruction Finance Corporation under act of Feb. 24, 1938	97										97
War corporations and atcivities (World War I):											
Navy Department (sale of surplus supplies)							3,634				3,634
U. S. Housing Corporation			535				217	(*)	931		1,683
U. S. Railroad Administration							22				22
U. S. Spruce Production Corporation			61	114			246	2			423
War corporations (World War II) [13]	199,606	1,099	186,262			1,000	[4] 764,391	87,907	5,330,987	27,377	6,598,629
Interagency items: [14]											
Due from other Government corporations and agencies										7,634,622	7,634,622
Due to other Government corporations and agencies					[5]						
Subtotal	7,685,707	476,422	1,763,264	1,345,394	220,151	739,403	1,786,456	1,680,817	11,517,055	13,750,340	40,965,009
Less: Interagency interests included above										*13,750,340*	*13,750,340*
Total	7,685,707	476,422	1,763,264	1,345,394	220,151	739,403	1,786,456	1,680,817	11,517,055		27,214,669

Footnotes at end of table

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TABLE 84.—*Combined statement of assets and liabilities of Government corporations and credit agencies, June 30, 1943*—Continued

[In thousands of dollars]

SUMMARY—Continued

Corporation or agency	Liabilities and reserves					Excess of assets over liabilities	Proprietary interest		Distribution of United States interests		United States interagency interests (net)
	Guaranteed by United States (includes accrued interest)	Not guaranteed by United States	Due to Government corporations and agencies		Total		Privately owned	Owned by United States	Capital stock	Surplus	
			Treasury	Other							
Banks for cooperatives		2,000		28,357	30,357	203,485	5,694	197,791	172,000	25,791	28,313
Commodity Credit Corporation	[15] [16] 482,653	386,656	[4] 1,950,000		2,819,309	92,051		[17] 92,051	100,000	*[18] 7,949*	1,943,400
Export-Import Bank of Washington		183		1,625	1,808	199,956		199,956	175,000	24,956	1,625
Farm Credit Administration		213,567			213,567	212,143		212,143	[19] 212,143		*[20] 172,000*
Federal Crop Insurance Corporation		6,764		1	6,765	12,012		12,012	35,000	*[18] 22,988*	1
Federal Deposit Insurance Corporation		398,756			398,756	289,300	139,300	150,000	150,000		*[20] 482*
Federal Farm Mortgage Corporation	937,128	103,604		706	1,041,438	101,647		101,647	100,000	1,647	*[20] 2,023*
Federal home loan banks		65,023			65,023	195,605	70,864	124,741	124,741		
Federal Housing Administration	23,808	3,774			27,581	94,573		94,573	[19] 94,573		*[20] 353*
Federal intermediate credit banks		293,951		166	294,117	88,858		88,858	60,000	28,858	*[20] 28,218*
Federal land banks [7]		1,567,300		987	1,568,287	487,348	224,251	263,097	121,479	141,618	*[20] 5,027*
Federal National Mortgage Association		59,608		131	59,739	23,106		23,106	10,000	13,106	131
Federal Public Housing Authority	[16] 114,813	9,854	283,000	38	407,704	140,412		[17] 140,412	1,000	139,412	283,038
Federal Savings and Loan Insurance Corporation		1,842			1,842	141,407		141,407	100,000	41,407	
Home Owners' Loan Corporation	[15] 1,545,806	80,893	[21] 196,000		1,822,699	82,420		[17] 82,420	200,000	*[18] 117,580*	96,000
Production credit corporations		332			332	127,078		127,078	120,000	7,078	
Reconstruction Finance Corporation [10]	[11] [15] 1,013,931	[11] 793,225	5,056,417	98,765	6,962,337	676,753		[17] 676,753	325,000	[11] 351,753	*[20] 480,505*
Regional agricultural credit corporations		2,731		27	2,758	62,404		62,404	44,500	17,904	27
Rural Electrification Administration				235,043	235,043	129,305		129,305	[19] 129,305		224,135
Tennessee Valley Authority	([16])	26,281	56,985	698	83,964	570,368		[17] 570,368	[19] 570,368		55,430
United States Maritime Commisson		1,651,219		167	1,651,387	3,250,788		3,250,788	[19] 3,250,788		*[20] 4,624*
War Shipping Administration		440,473		50	440,523	410,826		410,826	[19] 410,826		*[20] 24,419*
Other:											
Disaster Loan Corporation		86		29	115	20,904		20,904	24,000	*[18] 3,096*	*[20] 1,809*
Farm Security Administration		16,597		244,456	261,054	302,167		302,167	[19] 302,167		156,604
Federal Prison Industries, Inc		491			491	16,638		16,638	[19] 4,578	12,061	
Federal Security Agency—student war loans						3,022		3,022	[19] 2,994	28	
Inland Waterways Corporation		1,231			1,231	23,211		23,211	12,000	11,211	
Interior Department—Indian loans						2,726		2,726	[19] 2,726		
Panama Railroad Company		19,384		512	19,895	57,431		57,431	7,000	50,431	*[20] 3,420*
Public Works [12]						90,170		90,170	[15] 90,170		

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Puerto Rico Reconstruction Administration		24			24	22,477		22,477	[19] 22,477		[20] 5
RFC Mortgage Company		3,031		81.260	84,292	26,855		26,855	25,000	1,855	81,260
Tennessee Valley Associated Cooperatives, Inc						299		299	1	298	
Treasury Department:											
Federal savings and loan associations						11,484		11,484	11,484		
Railroad Loans (Transportation Act, 1920)						25,123		25,123	[19] 25,123		
Other:											
Advances to Federal Reserve Banks for industrial loans						27,546		27,546	[19] 27,546		
Loans to District of Columbia						1,500		1,500	[19] 1,500		
Securities received by Bureau of Internal Revenue in settlement of tax liabilities						60		60	[19] 60		
Securities received from Reconstruction Finance Corporation under act of Feb. 24, 1938						97		97	[19] 97		
War corporations and activities (World War I):											
Navy Department (sale of surplus supplies)						3,634		3,634	[19] 3,634		
U. S. Housing Corporation		318			318	1,365		1,365	25,345	*[18] 23,979*	
U. S. Railroad Administration						22		22	[19] 22		
U. S. Spruce Production Corporation				125	125	298		298	100	198	125
War corporations (World War II) [13]		1,702,943		4,830,177	6,533,120	65,509		65,509	[19] 209,145	*[18] 143,636*	4,802,800
Interagency items: [14]											
Due from other Government corporations and agencies						7,634,622		7,634,622	[19] 7,634,622		*[20] 7,634,622*
Due to other Government corporations and agencies				51,876	51,876	*51,876*		*51,876*	*[19] 51,876*		51,876
Subtotal	4,118,138	7,852,141	7,542,401	5,575,198	25,087,878	15,877,131	440,109	15,437,022	14,886,640	550,382	*[21] 632,741*
Less: Interagency interests included above			*7,542,401*	*5,575,198*	*13,117,599*	*632,741*		*632,741*	*631,741*	*1,000*	
Total	4,118,138	7,852,141			11,970,279	15,244,390	440,109	14,804,281	14,254,899	549,382	*632,741*

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TABLE 84.—*Combined statement of assets and liabilities of Government corporations and credit agencies, June 30, 1943*—Continued

[In thousands of dollars]

DETAILS

	Banks for cooperatives	Commodity Credit Corporation	Export-Import Bank of Washington	Farm Credit Administration	Federal Crop Insurance Corporation	Federal Deposit Insurance Corporation	Federal Farm Mortgage Corporation	Federal home loan banks	Federal Housing Administration	Federal intermediate credit banks	Federal land banks [7]	Federal National Mortgage Association
ASSETS												
Loans:												
Banks						34,424						
Railroads												
Insurance companies								1,778				
Building and loan associations								88,414				
Mortgage loan companies												
Agricultural credit corporations				284								
Cooperative associations	101,885			10,852								
States, Territories, etc.												
Joint stock land banks												
Ship construction and reconditioning loans												
Mortgage loans (not otherwise classified)							463,257				1,489,450	72,628
Crop, livestock, and commodity loans		227,672		165,249						296,415		
Other loans			128,518	68,950								
Total loans	101,885	227,672	128,518	245,334		34,424	463,257	90,192		296,415	1,489,450	72,628
Preferred capital stock, etc.:												
Banks and trust companies												
Other												
Cash:												
With Treasurer, United States	37,617	[4] 1,252,714	888	4,535	7,839	21,453	[23] 2,523	8,554	19,058	3,447	13,255	
On hand and in banks	[23] 6,494	242	345			5,903	297	6,235		[23] 16,614	[23] 27,809	
In transit			271									
In trust funds with Treasurer, U. S. [24]		143					3,257		16			
Investments:												
United States securities	33,597					571,549		154,160	55,598	36,000	226,354	
Obligations guaranteed by United States:												
Commodity Credit Corporation								100			24,801	
Federal Farm Mortgage Corporation	201											756
Federal Housing Administration												
Federal Public Housing Authority								40				
Home Owners' Loan Corporation								402				
Reconstruction Finance Corporation							115,000	230			76,967	
Tennessee Valley Authority bonds												
Federal land bank bonds							502,835					
Federal intermediate credit bank securities											2,935	
Production credit associations—Class A stock												
Ship sales notes												
Other investments	52,111								20		5	

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Accounts and other receivables	761	[5] 341,927	[5] 70,685	1,020	4,658	31,088	32,530	8	41,848	126	124,981	[5] 8,715
Accrued interest receivable	1,007	7,944	950			1,785	11,578	696	342	1,843	23,704	411
Real estate and business property:												
Real estate and equipment	59	27,069	22			(*)			1,180		5,307	30
Vessels and rolling stock												
Stores and supplies		257				71			58			
Real estate and other property held for sale	39	[6] 1,045,391				21,295	8,993		3,683		24,265	231
Other assets	25	1,402	86	2,822	6,280	6	87	12		145	9,787	74
Total assets other than interagency	233,798	2,904,760	201,764	253,710	18,776	687,573	1,140,355	260,628	121,802	354,591	2,049,622	82,845
Interagency assets:												
Due from Government corporations or agencies	44	6,600				482	2,729		353	28,384	6,014	
Interagency proprietary interests:												
Capital stock and paid-in surplus of Government corporations				172,000								
Total, all assets	233,842	2,911,360	201,764	425,710	18,776	688,055	1,143,085	260,628	122,154	382,974	2,055,635	82,845
LIABILITIES												
Bonds, notes, and debentures:												
Obligations guaranteed by United States [25]		[15] [16] 480,841					931,724		23,475			
Other								35,000		291,985	1,445,233	55,548
Accrued interest payable:												
Guaranteed by United States		1,812					5,404		333			
Other		325						76	13	926	16,069	449
Other liabilities	563	338,251	183	243	6,764	1,721	9,052	29,947	3,589	879	36,120	3,612
Deferred income							72			67	65	
Reserves:												
For uncollectible items	1,437			213,325		22,059	94,479			94	69,813	
Other operating reserves		48,080				374,975			172			
Total liabilities other than interagency	2,000	869,309	183	213,567	6,764	398,756	1,040,732	65,023	27,581	293,951	1,567,300	59,608
Interagency liabilities:												
Due to Government corporations or agencies:												
Treasury		[4] 1,950,000										
Other	28,357		1,625		1		706			166	987	131
Total, all liabilities	30,357	2,819,309	1,808	213,567	6,765	398,756	1,041,438	65,023	27,581	294,117	1,568,287	59,739
Capital and surplus:												
Capital stock	176,930	100,000	175,000		35,000	289,300	100,000	179,462		60,000	216,257	10,000
Nonstock capital				212,143					94,573			
Paid-in surplus		143,951									141,618	1,000
Earned surplus and reserves:												
Reserve for dividends and contingencies	1,490		210					2,171		8,046		
Legal reserves								7,292			74,758	1,367
Earned surplus and undivided profits	25,065	[18] *151,900*	24,746		[18] *22,988*		1,647	6,681		20,812	54,715	10,740
Total liabilities, capital, and surplus	233,842	2,911,360	201,764	425,710	18,776	688,055	1,143,085	260,628	122,154	382,974	2,055,635	82,845

Footnotes at end of table.

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TABLE 84.—*Combined statement of assets and liabilities of Government corporations and credit agencies, June 30, 1943*—Continued

[In thousands of dollars]

DETAILS—Continued

	Federal Public Housing Authority	Federal Savings and Loan Insurance Corporation	Home Owners' Loan Corporation	Production credit corporations	Reconstruction Finance Corporation [10]	Regional agricultural credit corporations	Rural Electrification Administration	Tennessee Valley Authority	United States Maritime Commission	War Shipping Administration	Other	Total
ASSETS												
Loans:												
Banks					91,699							126,123
Railroads					426,014						25,123	451,137
Insurance companies					32,269							34,047
Building and loan associations					3,242							91,656
Mortgage loan companies					18,515							18,515
Agricultural credit corporations												284
Cooperative associations							327,509				4,054	444,299
States, Territories, etc					80,111		13,369				90,543	184,023
Joint stock land banks					1,847							1,847
Ship construction and reconditioning loans									20,062		1,068	21,130
Mortgage loans (not otherwise classified)	1,620		1,441,153								105,994	3,574,102
Crop, livestock, and commodity loans					57	53,754					272	743,419
Other loans	[8] 315,187				829,620		3,601				649,248	1,995,125
Total loans	316,807		1,441,153		1,483,375	53,754	344,479		20,062		876,301	7,685,707
Preferred capital stock, etc.:												
Banks and trust companies					354,181							354,181
Other			[9] 108,403								13,837	122,240
Cash:												
With Treasurer, United States	44,191	972	38,764	[23] 24	[11] 2,055	10,871		8,561			[23] 170,688	1,648,007
On hand and in banks			962	[23] 723	406	249			1	(*)	[23] 37,088	103,369
In transit						2					293	566
In trust funds with Treasurer, U. S. [24]	2		7,619		[11] 285							11,321
Investments:												
United States securities	7,163	136,083	9,984	36,058	64,032			71			14,746	1,345,394
Obligations guaranteed by United States:												
Commodity Credit Corporation												24,901
Federal Farm Mortgage Corporation												201
Federal Housing Administration											449	1,205
Federal Public Housing Authority												40
Home Owners' Loan Corporation		1,204										1,606
Reconstruction Finance Corporation												192,197

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Tennessee Valley Authority bonds					8,300								8,300
Federal land bank bonds				11,135									513,969
Federal intermediate credit bank securities													2,935
Production credit associations—Class A stock				79,166									79,166
Ship sales notes									81,882				81,882
Other investments	(*)								1		1,013		53,152
Accounts and other receivables	2,073	4,879	395	51	[11] 10,833	94		6,777	32,024	160,943	[5] 798,805		1,675,221
Accrued interest receivable	2,781	111	3,765	174	[11] 24,850	43	8,961	9	556		19,727		111,236
Real estate and business property:													
Real estate and equipment	175,099		2,616	46	918			628,911	15,629	226	120,829		977,941
Vessels and rolling stock										640,913	30,946		671,859
Stores and supplies								5,670	4,934	949	19,078		31,017
Real estate and other property held for sale			191,299		45,183	4					4,969,955		6,310,338
Other assets			160	35	8,985	145		2,082	4,742,294	23,848	408,444		5,206,717
Total assets other than interagency	548,116	143,249	1,805,119	127,410	2,003,403	65,162	353,440	652,080	4,897,384	826,880	7,482,200		27,214,669
Interagency assets:													
Due from Government corporations or agencies					5,274,946		10,908	2,253	4,791	24,470	7,755,626		13,117,599
Interagency proprietary interests:													
Capital stock and paid-in surplus of Government corporations			100,000		360,741								632,741
Total, all assets	548,116	143,249	1,905,119	127,410	7,639,090	65,162	364,348	654,333	4,902,175	851,349	15,237,826		40,965,009
LIABILITIES													
Bonds, notes, and debentures:													
Obligations guaranteed by United States [25]	[15] 114,157		[15] 1,539,345		[11 15] 1,011,041			(13)					[26] 4,100,582
Other			165					8,300					1,836,232
Accrued interest payable:													
Guaranteed by United States	656		6,461		2,890								[27] 17,556
Other								31			15		17,902
Other liabilities	229	8	25,302	22	[11] 602,380	2,385		13,557	1,623,295	92,569	1,557,620		4,348,291
Deferred income		1,834	3,089		65,845					2,384	181,956		255,311
Reserves:													
For uncollectible items			51,589	310		346			18,042		133		471,627
Other operating reserves	9,625		748		125,000			4,393	9,883	345,520	4,381		922,779
Total liabilities other than interagency	124,666	1,842	1,626,699	332	1,807,155	2,731		26,281	1,651,219	440,473	1,744,105		11,970,279
Interagency liabilities:													
Due to Government corporations or agencies:													
Treasury	283,000		[21] 196,000		5,056,417			56,985					7,542,401
Other	38				98,765	27	235,043	698	167	50	5,208,436		5,575,198
Total, all liabilities	407,704	1,842	1,822,699	332	6,962,337	2,758	235,043	83,964	1,651,387	440,523	6,952,541		25,087,878

Footnotes at end of table.

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TABLE 84.—*Combined statement of assets and liabilities of Government corporations and credit agencies, June 30, 1943*—Continued

[In thousands of dollars]

DETAILS—Continued

	Federal Public Housing Authority	Federal Savings and Loan Insurance Corporation	Home Owners' Loan Corporation	Production credit corporations	Reconstruction Finance Corporation [10]	Regional agricultural credit corporations	Rural Electrification Administration	Tennessee Valley Authority	United States Maritime Commission	War Shipping Administration	Other	Total
LIABILITIES—continued												
Capital and surplus:												
Capital stock	1,000	100,000	200,000	120,000	325,000	44,500					291,631	2,424,079
Nonstock capital							129,305	570,368	3,250,788	410,826	8,088,286	12,756,290
Paid-in surplus	140,751					18,029					49,343	494,691
Earned surplus and reserves:												
Reserve for dividends and contingencies		24,000			325						241	36,482
Legal reserves		17,407									462	101,286
Earned surplus and undivided profits	[18] *1,339*		[18] *117,580*	7,078	[11] 351,428	[18] *125*					[18] *144,676*	64,304
Total liabilities, capital, and surplus	548,116	143,249	1,905,119	127,410	7,639,090	65,162	364,348	654,333	4,902,175	851,349	15,237,826	40,965,009

NOTE.—The reports from the corporations and agencies are revised by the Treasury Department to adjust for certain interagency items. Figures in this table do not agree in some instances with those appearing in the statement published in the daily Treasury statement of July 31, 1943. This is because reports from some corporations for the month of June were not received in time for inclusion in the daily Treasury statement necessitating the use of May figures for such corporations.

*Less than $500.

[1] Excludes unexpended balances of appropriated funds.

[2] Includes real estate and other property held for sale.

[3] Includes capital stock and paid-in surplus of Government corporations and agencies.

[4] Includes $1,250,000,000 temporary borrowings in June 1943, repaid in July 1943.

[5] Includes deposits with the Reconstruction Finance Corporation and accrued interest thereon.

[6] Includes interagency transactions of "lend-lease" funds which figures are not available and were formerly shown under the caption "Due from Government corporations and agencies."

[7] Includes the assets and liabilities of the Federal Land Banks of Louisville, Ky., and Houston, Tex., which have retired the capital stock and paid-in surplus previously held by the Federal Government.

[8] Excludes contract commitments. As of June 30, 1943, the Federal Public Housing Authority has entered into definite contracts calling for maximum advances of $645,007,511. Advances have been made in the amount of $314,248,062.83 as of June 30, 1943, against loan contract commitments amounting to $382,163,077. The Federal Public Housing Authority has also agreed to disburse $223,926,000 on additional loan contract commitments amounting to $262,844,434 now being financed by securities issued by local housing authorities.

[9] Shares of State building and loan associations, $23,218,960; shares of Federal savings and loan associations, $85,184,450.

[10] Includes the Electric Home and Farm Authority, transferred for purposes of liquidation to Reconstruction Finance Corporation under Executive Order No. 9256, dated Oct. 13, 1942, effective Oct. 31, 1942.

[11] Adjusted for interagency items and items in transit.

[12] Includes loans by Public Works Administration, $89,226,972.38, and loans for War Public Works, $943,447.25.

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[13] Includes Cargoes, Incorporated, Defense Homes Corporation, Defense Plant Corporation, Defense Supplies Corporation, Institute of Inter-American Affairs, Inter-American Navigation Corporation, Metals Reserve Company, Rubber Development Corporation, Rubber Reserve Company, Smaller War Plants Corporation, U. S. Commercial Company, and War Damage Corporation.

[14] Represents interagency assets and liabilities of the Treasury Department and of Government agencies, which agencies are not included in this statement.

[15] The following amounts in bonds and notes held by the Secretary of the Treasury in the amount of $7,519,144,623.79 are excluded from "Bonds, notes, and debentures; obligations guaranteed by the United States" and are included in interagency liabilities: Commodity Credit Corporation, $1,950,000,000; Federal Public Housing Authority, $283,000,000; Home Owners' Loan Corporation, $196,000,000; Reconstruction Finance Corporation, $5,033,372,123.79; and Tennessee Valley Authority, $56,772,500. (See also footnote [21] under Home Owners' Loan Corporation.)

[16] Includes $638,650.89 letters of credit items in transit.

[17] Exclusive of the amount of the Government's financial interest in these agencies on account of obligations and accrued interest thereon held by the Treasury and included as liabilities under the caption "Due to Government corporations and agencies—Treasury."

[18] Deficit (deduct).

[19] Nonstock or includes nonstock proprietary interest.

[20] Excess interagency assets (deduct).

[21] Does not include $16,000,000 in transit for redemption.

[22] Represents interagency holdings of capital stock and paid-in surplus items which are not deducted from the capital stock and paid-in surplus of the corresponding organizations.

[23] Includes cash in trust funds.

[24] Represents money deposited with the Treasurer of the United States for the payment of matured principal and interest.

[25] Excludes obligations reacquired and held by the issuing organizations.

[26] Included in this amount are $8,256,425 matured obligations for which cash has been deposited with the Treasurer of the United States as follows: Commodity Credit Corporation, $137,000; Federal Farm Mortgage Corporation, $1,959,400; Federal Housing Administration, $16,250; Home Owners' Loan Corporation, $5,862,775; and Reconstruction Finance Corporation, $281,000.

[27] Includes matured interest in amount of $3,064,835.13 for which cash has been deposited with the Treasurer of the United States as follows: Commodity Credit Corporation, $6,290.83; Federal Farm Mortgage Corporation, $1,297,104.68; Federal Housing Administration, $222.92; Federal Public Housing Authority, $1,656.93; Home Owners' Loan Corporation, $1,755,772.70; and Reconstruction Finance Corporation, $3,787.07.

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TABLE 85.—*Proprietary interest of the United States in Government corporations and credit agencies, at the end of each of the fiscal years 1932 through 1943*

[In thousands of dollars.[1] On basis of reports received from the corporations and agencies]

Corporation or agency	1932	1933	1934	1935	1936	1937	1938	1939	1940	1941	1942	1943
Banks for cooperatives			111,000	128,624	151,044	148,589	156,464	161,155	165,068	108,836	167,041	197,791
Commodity Credit Corporation			3,000	4,645	83,927	77,317	100,000	100,000	100,000	100,427	107,635	92,051
Export-Import Bank of Washington			14,000	13,843	18,163	21,064	21,789	47,535	79,538	184,649	192,321	199,956
Farm Loan Board—crop loans	552,669	[2]										
Farm Credit Administration		[r] 438,522	74,000	[r] 184,221	[r] 186,077	[r] 257,750	[r] 280,403	[r] 260,687	[r] 240,887	[r] 147,982	[r] 191,359	212,143
Federal Crop Insurance Corporation								5,000	8,000	14,000	20,000	12,012
Federal Deposit Insurance Corporation			150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000
Federal Farm Mortgage Corporation			197,000	200,000	200,000	200,000	200,000	200,000	200,000	100,000	100,000	101,647
Federal home loan banks		43,204	81,000	81,646	99,542	120,514	124,741	124,741	124,741	124,741	124,741	124,741
Federal Housing Administration				28,866	29,710	29,706	34,565	39,556	50,342	64,072	80,343	94,573
Federal intermediate credit banks	35,963	62,710	85,000	105,083	107,894	109,944	114,846	118,393	120,524	84,696	87,209	88,858
Federal land banks	125,176	124,872	164,000	205,118	235,783	266,462	304,403	313,943	312,773	213,483	213,233	263,097
Federal National Mortgage Association							11,066	12,662	15,557	18,956	22,703	23,106
U. S. Housing Authority							146,841	142,686	138,238	137,752	[3]	
Federal Public Housing Authority											140,849	140,412
Federal Savings and Loan Insurance Corporation				101,597	103,844	108,235	113,125	118,283	123,621	129,389	133,402	141,407
Home Owners' Loan Corporation		998	144,000	169,709	165,976	169,260	159,089	140,438	123,547	107,637	90,537	82,420
Production credit corporations			106,000	120,978	120,939	121,142	121,427	122,076	122,216	110,541	126,238	127,078
Reconstruction Finance Corporation	503,421	531,117	552,000	574,853	633,305	664,631	690,172	747,593	665,225	535,196	597,784	676,753
Regional agricultural credit corporations		43,620	43,000	56,700	35,035	26,782	17,776	18,747	19,966	20,867	22,094	62,404
Rural Electrification Administration					823	7,864	12,570	59,199	94,567	118,674	125,228	129,305
Tennessee Valley Authority			9,000	63,956	95,992	178,919	216,736	234,208	268,513	327,093	458,456	570,368
U. S. Shipping Board—Merchant Fleet Corporation	233,018	224,102	142,940	181,962	151,227	[4]						
United States Maritime Commission						87,289	98,742	112,757	163,688	168,784	[5] 963,626	3,250,788
War Shipping Administration												410,826
Other:												
Disaster Loan Corporation						5,660	9,262	16,873	22,632	22,466	22,323	20,904
Electric Home and Farm Authority			1,000	872	839	865	902	938	1,074	1,201	1,499	[6]
Subsistence homesteads (Resettlement Administration			3,000	25,000	79,875	127,669	[7]					
Farm Security Administration							169,373	256,275	307,889	382,052	302,017	302,167
Federal Prison Industries, Inc				4,399	5,014	5,575	6,575	7,449	8,478	9,787	13,105	16,638
Federal Security Agency—student war loans												3,022
Inland Waterways Corporation	24,391	24,607	24,000	23,750	24,602	24,542	24,981	24,853	24,411	23,985	23,499	23,211
Interior Department (Indian loans)						534	1,911	2,529	2,894	2,672	2,676	2,726
Panama Railroad Company	45,557	43,626	43,000	43,147	43,334	44,256	45,886	46,678	49,341	51,999	56,795	57,431
Public Works			145,423	466,749	267,927	145,534	51,597	54,641	94,570	97,020	92,236	90,170
Puerto Rico Reconstruction Administration						3,701	3,897	6,388	8,099	7,556	22,043	22,477
RFC Mortgage Company, The				9,995	10,157	25,358	25,309	25,259	25,313	25,353	25,671	26,855
Tennessee Valley Associated Cooperatives, Inc				305	299	302	302	301	297	293	294	299

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Treasury Department:												
Advances to Federal Reserve Banks for industrial loans				20,932	26,546	27,421	27,546	27,546	27,546	27,546	27,546	27,546
Federal savings and loan associations			1,000	32,464	102,040	48,184	47,803	43,992	34,137	23,671	19,443	11,484
Loans to District of Columbia (blackout loans)												1,500
Railroad loans (Transportation Act, 1920)	38,926	38,482	37,711	31,192	30,590	30,230	30,230	30,230	30,186	25,213	25,213	25,123
Securities received by the Bureau of Internal Revenue in settlement of tax liabilities									172	60	60	60
Securities received from the Reconstruction Finance Corporation under act of Feb. 24, 1938							2,774	2,570	2,374	2,101	127	97
War corporations and activities (World War I):												
Surplus war supplies	828	828	828	433	383							
Navy Department (sale of surplus war supplies)	4,938	4,924	4,910	5,086	5,026	4,785	4,708	4,645	4,572	4,431	3,311	3,634
Secretary of the Treasury (U. S. Railroad Administration)	1,157	1,257	1,200	1,132	1,106	531	118	114	110	64	60	22
U. S. Housing Corporation	2,020	1,916	1,950	1,989	1,990	2,014	1,980	1,925	1,829	1,848	1,885	1,365
U. S. Spruce Production Corporation	408	417	407	336	438	287	293	298	300	304	302	298
War Finance Corporation	333	313	200	120	30	30	10	2	(8)			
War corporations (World War II)[9]										34,648	58,737	65,509
Interagency items:[10]												
Due from other Government corporations and agencies	352,398	1,594,629	3,404,000	3,693,439	4,038,067	3,617,962	891,810	275,066	105,012	303,013	4,087,763	7,634,622
Due to other Government corporations and agencies	*643*	*317,134*	*496,000*	*1,290,454*	*1,813,311*	*1,815,696*	*14,630*	*12,230*	*12,272*	*38,635*	*48,188*	*51,876*
Subtotal	1,920,560	2,863,010	5,048,569	5,442,687	5,394,235	5,045,212	4,407,391	4,046,000	4,025,978	3,976,425	8,853,215	15,437,022
Less: Interagency interest included above		*89,249*	*300,000*	*998,842*	*1,144,767*	*1,074,433*	*302,000*	*330,000*	*359,000*	*540,741*	*603,741*	*632,741*
Total	1,920,560	2,773,761	4,248,569	4,443,845	4,249,468	3,970,779	4,105,391	3,716,000	3,666,978	3,435,684	8,249,474	14,804,281

NOTE.—The reports from the corporations and agencies are revised by the Treasury Department to adjust for certain interagency items. Figures for the fiscal year 1943 do not agree in some instances with those appearing in the statement published in the daily Treasury statement of July 31, 1943. This is because reports from some corporations for the month of June were not received in time for inclusion in the daily Treasury statement necessitating the use of May figures for such corporations. The figures for prior years agree with those published in the daily Treasury statement.

r Revised.

[1] Figures are rounded and will not necessarily add to totals.

[2] Transferred to the Farm Credit Administration.

[3] Transferred to Federal Public Housing Authority.

[4] Transferred to the U. S. Maritime Commission.

[5] Includes War Shipping Administration.

[6] Transferred to Reconstruction Finance Corporation for purposes of liquidation, Executive Order 9256 effective October 31, 1942.

[7] Transferred to the Farm Security Administration.

[8] Corporation abolished effective July 1, 1939, pursuant to reorganization plan No. II.

[9] Formerly known as national defense corporations—Includes Cargoes, Incorporated, Defense Homes Corporation, Defense Plant Corporation, Defense Supplies Corporation, Institute of Inter-American Affairs, Inter-American Navigation Corporation, Metals Reserve Company, Rubber Development Corporation, Rubber Reserve Company, Smaller War Plants Corporation, U. S. Commercial Company, and War Damage Corporation.

[10] Represents interagency assets and liabilities of the Treasury Department and of Government agencies, which agencies are not included in this statement.

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TABLE 86.—*Sources of funds of certain Government corporations and credit agencies, fiscal year 1943 and cumulative to June 30, 1943*

[On basis of reports received from the corporations and agencies]

Corporation or agency	Appropriations from General Fund of the Treasury [1]	Allocations, rediscounts, and loans from other Government corporations and credit agencies (net)	Sale of obligations to Treasury (net)	Sale of obligations in the market (net) [2]	Sale of stock to other agencies	Sale of other property acquired	Repayment of loans [3]	Interest, dividends, assessments, and property income	Other receipts	Total, sources of funds
	Fiscal year 1943									
Central Bank for Cooperatives	$22,000,000	$6,619,577			$1,100		$104,307,507	$1,057,084	$25,307	$134,010,575
Commodity Credit Corporation	[4] −9,815,514		$1,550,000,000	−$225,535,456		$2,779,305,178	147,471,484	11,107,809	71,668,210	4,324,201,711
Disaster Loan Corporation						31,759	6,891,114	−931,390	26,116	6,017,599
Export-Import Bank of Washington		4,000,000					15,017,473	5,774,821		24,792,294
Federal Deposit Insurance Corporation		199,884					28,557,449	75,706,641	−3,676,545	100,787,430
Federal Farm Mortgage Corporation			−263,000,000			10,202,042	132,752,239	62,252,736	10,926,292	−46,866,691
Federal home loan banks				−56,500,000			198,799,672	5,399,983	6,119,200	153,818,855
Federal National Mortgage Association		−112,821,297		−29,692,000		791,056	57,281,869	11,388,345	94,882,988	21,830,961
Federal Public Housing Authority	13,695,244		9,000,000			22,704	180,834,068	12,369,266	269,393	216,190,675
Federal Savings and Loan Insurance Corporation								8,152,862	2,089,830	10,242,692
Home Owners' Loan Corporation			−355,000,000			63,244,887	226,424,182	99,360,277	3,611,584	37,640,931
Reconstruction Finance Corporation [5]		8,151,000	2,614,453,678	−323,611,000		5,694,386	406,307,032	91,954,880	6,302,987	2,809,252,962
RFC Mortgage Company		15,965,680				354,296	25,240,589	3,886,840	750,816	46,198,221
Rural Electrification Administration	2,985,299	3,652,308					11,967,371	8,750,660	142	27,355,781
War corporations [6]	150,000,000	2,997,685,334			1,500,000	919,735,708	113,725,601	9,787,928	1,381,766,350	5,574,200,922
Total	178,865,029	2,923,452,486	3,555,453,678	−635,338,456	1,501,100	3,779,382,016	1,655,577,650	406,018,742	1,574,762,670	13,439,674,918

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	From inception of organization to June 30, 1943									
Central Bank for Cooperatives	$72,000,000	$17,555,686			$1,278,600		$415,322,147	$12,532,504	$4,684,813	$523,373,751
Commodity Credit Corporation	[7] 243,950,524		$1,950,000,000	$475,518,544		$3,856,883,992	1,160,743,175	41,928,518	81,333,592	7,810,358,344
Disaster Loan Corporation	[8] 24,000,000					172,360	24,758,137	916,553	60,250	49,907,299
Export-Import Bank of Washington	1,000,000	4,000,000			174,000,000		135,875,364	22,953,942	707,119	338,536,426
Federal Deposit Insurance Corporation	150,000,000	199,884			139,299,557		130,478,443	443,084,692	738,182	863,800,758
Federal Farm Mortgage Corporation	[8] 100,000,000			929,764,200		32,146,648	539,478,792	557,514,508	24,291,824	2,183,195,973
Federal home loan banks				35,000,000	[9] 124,741,000		935,088,638	52,079,052	[10] 87,456,536	1,234,365,226
Federal National Mortgage Association		−8,704,985		55,548,000	11,000,000	2,052,821	103,122,940	40,535,829	99,535,242	303,089,847
Federal Public Housing Authority	61,394,711		283,000,000	114,157,000		974,105	855,472,803	52,430,464	1,589,526	1,369,018,609
Federal Savings and Loan Insurance Corporation					100,000,000			51,238,396	2,308,801	153,547,197
Home Owners' Loan Corporation	[8] 200,000,000		196,000,000	3,114,453,550		247,702,155	1,380,569,583	1,082,600,572	32,039,796	6,253,365,656
Reconstruction Finance Corporation [5]	325,000,000	8,251,000	5,148,372,124	896,041,000		33,429,205	6,098,769,451	778,468,346	128,115,596	13,416,446,721
RFC Mortgage Company		78,250,440			25,000,000	1,128,491	162,905,259	19,452,950	5,495,333	292,232,473
Rural Electrification Administration	139,957,219	231,550,181					24,673,440	24,507,805	282	420,688,928
War corporations [6]	150,000,000	4,824,330,651			36,601,000	1,276,444,454	115,030,821	12,553,644	1,574,353,948	7,989,314,518
Total	1,467,302,454	5,155,432,857	7,577,372,124	5,620,482,294	611,920,157	5,450,934,231	12,082,288,993	3,192,797,775	2,042,710,840	43,201,241,726

NOTE.—Figures are rounded to nearest dollar and will not necessarily add to totals.

[1] Items in this column are the only ones in this statement which constitute a charge against the Federal Budget. They represent amounts of funds drawn against available appropriations.

[2] Except for the Home Owners' Loan Corporation, sales of obligations in the market, as shown in this column, are reduced by the amount of obligations which have been retired (including those which have in effect been refunded through the sale of obligations to the Treasury). In the case of the Home Owners' Loan Corporation, the original amount of obligations sold in the market is shown in this column and the retirement and refunding of these obligations are shown as "Retirement of obligations issued in exchange for mortgages" in the statement of uses of funds.

[3] Receipts from the sale of property acquired in liquidation of loans are shown as "Sale of other property acquired".

[4] Represents balance of repayment of amounts paid to the Commodity Credit Corporation for capital impairment on basis of appraisal of the corporation as of Mar. 31, 1942, pursuant to Public No. 442, approved Mar. 8, 1938.

[5] Includes the Electric Home and Farm Authority, which was transferred for purposes of liquidation to the Reconstruction Finance Corporation by Executive order effective Oct. 31, 1942.

[6] Comprises Cargoes, Inc., Defense Homes Corporation, Defense Plant Corporation, Defense Supplies Corporation, Institute of Inter-American Affairs, Inter-American Navigation Corporation, Metals Reserve Company, Rubber Development Corporation, Rubber Reserve Company, Smaller War Plants Corporation, U. S. Commercial Company, and War Damage Corporation.

[7] Includes $3,000,000 National Industrial Recovery Administration; $97,000,000 Reconstruction Finance Corporation included in notes canceled by the Treasury (see footnote 8); and $143,950,524 restoration of capital impairment, which is net of repayments to the Treasury of $43,756,731 on the basis of Mar. 31, 1940, appraisal, and $27,815,514 on the basis of Mar. 31, 1942, appraisal of the Corporation, pursuant to Public No. 442, approved Mar. 8, 1938.

[8] These funds were furnished by the Reconstruction Finance Corporation from the proceeds of its notes sold to the Treasury, such amounts being included in the total of obligations of the Corporation canceled by the Secretary of the Treasury pursuant to the act of Feb. 24, 1938.

[9] The Reconstruction Finance Corporation purchased the stock of the Federal home loan banks from the Treasury Department on Feb. 20, 1941. The net effect of this transaction is the same as a sale of stock to other agencies, and is shown as such for purposes of this report.

[10] Includes $54,720,850 paid-in capital stock held by member institutions.

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TABLE 87.—*Uses of funds of certain Government corporations and credit agencies, fiscal year 1943 and cumulative to June 30, 1943*

[On basis of reports received from the corporations and agencies]

Corporation or agency	Expenses		Purchase and improvement of property owned	Loans	Retirement of obligations issued in exchange for mortgages [1]	Investments (net)	Allocations, rediscounts and loans to other Government corporations and credit agencies (net)	Interest and dividends paid	Other expenditures	Total, uses of funds
	Administrative	Nonadministrative								
	Fiscal year 1943									
Central Bank for Cooperatives	$125,657			$101,889,107		$28,108,681		$300,097	$21,930	$130,445,472
Commodity Credit Corporation	4,367,392		$2,501,875,431	296,633,479			$232,196,341	12,428,199	27,271,127	3,074,771,969
Disaster Loan Corporation	356,462	$8,575		997,297			4,655,600		−335	6,017,599
Export-Import Bank of Washington	223,468	6,165		30,761,555			−6,100,000			24,891,188
Federal Deposit Insurance Corporation	4,154,740			10,479,340		81,445,863			563,084	96,643,027
Federal Farm Mortgage Corporation	7,972,626	1,054,407	2,961,749	24,202,167		−115,979,040		29,251,212	3,517,797	−47,019,082
Federal home loan banks	1,238,837			96,346,312		85,564,024		3,012,122	204,918	186,366,213
Federal National Mortgage Association	981,467	1,492,938		7,081,319				12,259,061	16,176	21,830,961
Federal Public Housing Authority	3,169,770	1,025,030	43,445,179	118,752,239				5,151,717	9,794,006	181,337,942
Federal Savings and Loan Insurance Corporation	299,098	41,983				14,606,156			[2] −1,307,152	13,640,085
Home Owners' Loan Corporation	10,676,846	15,610,315	10,017,193	3,970,556	$28,808,050	−48,682,450		39,002,269	−256,335	59,146,444
Reconstruction Finance Corporation [3]	10,580,588	3,070,020	471,809	410,020,263		1,000,001	2,368,618,225	37,128,112	2,941,033	2,833,830,051
RFC Mortgage Company	883,433	350,768	1,819,035	41,373,795				1,779,547	−8,356	46,198,221
Rural Electrification Administration	2,887,674			14,536,573				6,599,742		24,023,989
War corporations [4]	4,437,694	17,527,564	4,324,177,765	240,737,203		1,000.000	169.653,084	1,110,637	656,802,113	5,415,446,060
Total	52,355,752	40,187,765	6,884,768,161	1,397,781,205	28,808,050	47,063,235	2,769,023,250	148.022,715	699,560,006	12.067,570,139

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	From inception of organization to June 30, 1943									
Central Bank for Cooperatives	$1,136,041			$448,312,640		[5] $41,759,422		$961,234	$3,542,693	$495,712,030
Commodity Credit Corporation	15,351,826		$3,689,321,563	2,446,841,032			$316,528,525	43,732,233	45,626,734	6,557,401,913
Disaster Loan Corporation	3,820,037	$138,334		30,252,238			15,695,499		191	49,906,299
Export-Import Bank of Washington	915,019	18,064		264,393,359			68,750,000	2,362,329	593,801	337,032,572
Federal Deposit Insurance Corporation	31,466,497			197,884,414		[5] 573,394,017			33,962,742	836,707,670
Federal Farm Mortgage Corporation	86,998,881	6,837,329	19,700,319	1,086,531,088		617,834,800		337,378,230	24,108,518	2,179,389,166
Federal home loan banks	12,079,544			1,025,280,214		[5] 154,931,939		26,782,550	518,222	1,219,592,469
Federal National Mortgage Association	4,845,092	5,517,475		271,081,024				21,372,682	273,574	303,089,847
Federal Public Housing Authority	22,740,314	7,739,813	69,749,162	1,174,281,313		[5] 7,070,000		11,474,996	24,572,048	1,317,627,645
Federal Savings and Loan Insurance Corporation	1,922,131	103,019				[5] 137,451,994		3,035,326	[4] 10,062,803	152,575,272
Home Owners' Loan Corporation	243,812,657	154,001,042	155,487,444	3,273,234,740	[6] $1,574,943,850	218,387,410		579,198,652	6,914,579	6,205,980,374
Reconstruction Finance Corporation [3]	102,034,100	12,916,045	471,809	8,045,090,600		369,041,001	4,565,067,453	302,383,555	18,725,957	13,415,730,520
RFC Mortgage Company	6,056,805	5,003,905	9,806,204	262,000,206				8,955,506	408,719	292,231,345
Rural Electrification Administration	17,826,665			369,152,582				18,815,231	371,526	406,166,004
War corporations [4]	5,678,866	18,239,304	6,255,284,176	314,055,754		1,000,000	175,113,691	1,111,385	1,054,067,902	7,824,551,078
Total	556,684,475	210,514,330	10,199,820,677	19,208,391,204	1,574,943,850	2,120,870,583	5,141,155,168	1,357,563,909	1,223,750,009	41,593,694,204

NOTE:—Figures are rounded to nearest dollar and will not necessarily add to totals.

[1] Receipts from the repayment of mortgage loans appear under "Repayment of loans" in the table preceding on sources of funds.

[2] Includes expenditures for contributions and subrogated shares or claims in insured financial institutions.

[3] Includes the Electric Home and Farm Authority, which was transferred for purposes of liquidation to the Reconstruction Finance Corporation by Executive order effective Oct. 31, 1942.

[4] Comprises Cargoes, Incorporated, Defense Homes Corporation, Defense Plant Corporation, Defense Supplies Corporation, Institute of Inter-American Affairs, Inter-American Navigation Corporation, Metals Reserve Company, Rubber Development Corporation, Rubber Reserve Company, Smaller War Plants Corporation, U. S. Commercial Company, and War Damage Corporation.

[5] Includes U. S. Government bonds in the amount of $636,840,240 as follows: Federal Deposit Insurance Corporation, $470,394,017; Federal Savings and Loan Insurance Corporation, $26,664,500; Federal Public Housing Authority, $7,070,000; Federal home loan banks, $127,161,723; Central Bank for Cooperatives, $5,550,000.

[6] Includes the retirement of those obligations which were in effect refunded through sale of securities to the Treasury.

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STOCK AND CIRCULATION OF MONEY IN THE UNITED STATES

TABLE 88.—*Stock of money, money in the Treasury, in the Federal Reserve Banks, and in circulation June 30, 1913 through 1943* [1]

[In thousands, except per capita figures]

June 30—	Stock of money [2]	Money held in the Treasury					Money outside of the Treasury				Population of continental United States (estimated)
		Total	Amount held as security against gold and silver certificates (and Treasury notes of 1890)	Reserve against United States notes (and Treasury notes of 1890)	Held for Federal Reserve Banks and agents	All other	Total	Held by Federal Reserve Banks and agents	In circulation		
									Amount [3]	Per capita	
1913	$3,777,021	$1,834,112	$1,475,783	$150,000	----------	$208,329	$3,418,692	----------	$3,418,692	$35.12	97,337
1914	3,797,825	1,845,570	1,507,179	150,000	----------	188,391	3,459,434	----------	3,459,434	34.93	99,027
1915	4,050,783	1,967,665	1,619,429	152,977	----------	195,259	3,702,547	$382,965	3,319,582	32.96	100,725
1916	4,541,730	2,356,536	2,057,409	152,979	----------	146,147	4,242,603	593,345	3,649,258	35.63	102,431
1917	5,678,774	2,859,396	2,063,391	152,979	$526,295	116,731	4,882,769	816,365	4,066,404	39.05	104,145
1918	6,906,237	2,976,251	1,407,694	152,979	1,205,082	210,496	5,337,681	855,984	4,481,697	42.33	105,869
1919	7,688,413	2,907,812	906,673	152,979	1,416,086	432,074	5,687,275	810,636	4,876,638	45.95	106,136
1920	8,158,496	2,379,664	704,638	152,979	1,184,276	337,771	6,483,470	1,015,881	5,467,589	51.38	106,422
1921	8,174,528	2,921,089	919,643	152,979	1,537,857	310,610	6,173,082	1,262,089	4,910,992	45.29	108,445
1922	8,276,070	3,515,583	1,000,578	152,979	2,108,887	253,139	5,761,065	1,297,893	4,463,172	40.61	109,893
1923	8,702,788	3,821,846	1,150,168	152,979	2,285,170	233,529	6,031,111	1,207,836	4,823,275	43.18	111,693
1924	8,846,542	4,248,438	1,628,139	152,979	2,260,891	206,429	6,226,243	1,376,935	4,849,307	42.64	113,727
1925	8,299,382	4,176,381	2,059,799	153,621	1,752,744	210,217	6,182,799	1,367,591	4,815,208	41.73	115,378
1926	8,428,971	4,210,358	2,139,770	154,189	1,717,348	199,050	6,358,384	1,473,118	4,885,266	41.71	117,136
1927	8,667,282	4,159,056	2,096,205	155,421	1,712,003	195,427	6,604,431	1,753,110	4,851,321	40.90	118,628
1928	8,118,091	3,725,650	1,986,761	156,039	1,387,650	195,199	6,379,202	1,582,576	4,796,626	39.97	120,013
1929	8,538,796	3,789,886	1,854,373	156,039	1,562,426	217,049	6,603,283	1,856,986	4,746,297	39.08	121,455
1930	8,306,564	4,021,937	1,978,448	156,039	1,796,239	91,211	6,263,075	1,741,087	4,521,988	36.74	123,091
1931	9,079,624	4,227,735	2,196,103	156,039	1,776,690	98,902	7,047,992	2,226,059	4,821,933	38.85	124,113
1932	9,004,505	3,493,122	1,979,137	156,039	1,235,737	122,209	7,490,520	1,795,349	5,695,171	45.57	124,974
1933	10,078,417	3,797,692	1,711,721	156,039	1,771,486	158,446	7,992,446	2,271,682	5,720,764	45.49	125,770
1934	13,634,381	8,408,392	5,453,713	156,039	[4] 3,999,055	2,798,640	6,679,455	1,305,985	5,373,470	42.44	126,626
1935	15,113,035	9,997,362	7,131,431	156,039	[4] 5,532,590	2,709,891	6,714,514	1,147,422	5,567,093	43.66	127,521

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1936	17,402,493	11,851,635	9,355,224	156,039	[4] 5,304,027	2,340,372	9,602,055	3,360,854	6,241,200	48.60	128,429
1937	19,376,690	13,685,480	10,240,964	156,039	[4] 6,030,913	3,288,477	9,901,261	3,454,205	6,447,056	49.88	129,257
1938	20,096,865	14,535,627	12,233,068	156,039	[4] 7,829,838	2,146,520	9,964,467	3,503,576	6,460,891	49.62	130,215
1939	23,754,736	17,862,671	15,299,262	156,039	[4] 10,708,118	2,407,369	10,483,210	3,436,467	7,046,743	53.72	131,173
1940	28,457,960	21,836,936	19,651,067	156,039	[4] 14,938,895	2,029,829	11,333,196	3,485,695	7,847,501	59.47	131,950
1941	32,774,611	24,575,186	22,300,087	156,039	[4] 17,506,167	2,119,059	12,993,346	3,380,914	9,612,432	[5] 72.16	[5] 133,213
1942	35,840,908	24,783,526	22,596,352	156,039	[4] 17,750,403	2,031,135	15,903,331	3,520,465	12,382,866	[5] 91.88	[5] 134,778
1943	40,868,266	24,466,764	22,199,035	156,039	[4] 17,408,945	2,111,690	21,191,591	3,770,331	17,421,260	127.60	136,527

[1] The figures in this table differ from the monthly circulation statements for the following reasons: (*a*) Beginning June 30, 1922, the form of circulation statement was revised so as to include in the holdings of the Federal Reserve Banks and agents, and hence in the stock of money, gold bullion and foreign gold coin held by the Federal Reserve Banks and agents, and to include in the holdings of the Federal Reserve Banks and agents, and hence exclude from money in circulation, all forms of money held by the Federal Reserve Banks and agents, whether as reserve against Federal Reserve notes or otherwise. For the sake of comparableness the figures in this table for earlier years have been revised to include these changes. For full explanation of this revision, see annual report for 1922, p. 433. (*b*) The form of the circulation statement was revised again beginning Dec. 31, 1927, so as to exclude earmarked gold coin from the stock of money, and hence from money in circulation; to include in the holdings of the Federal Reserve Banks and agents, and hence in the stock of money, gold held abroad for the account of the Federal Reserve Banks; and to include in all categories, minor coin (the bronze 1-cent piece and the nickel 5-cent piece). Beginning on Dec. 31, 1927, the circulation statement is dated for the end of the month instead of the beginning of the succeeding month, as was the practice theretofore, and figures on the revised daily Treasury statement basis for "money held in the Treasury" instead of the unrevised basis are used. For the sake of comparableness the figures in this table for earlier years have been revised to include these changes. For full explanation of this revision, see annual report for 1928, pp. 70–71, and for figures for years prior to 1913, pp. 550–551. Final revisions, minor in amount, are made in some figures of the June 30 circulation statements for use in these annual report tables.

[2] The composition of the stock of money is shown in the table on p. 712.

[3] The composition of the money in circulation is shown in the table on p. 713.

[4] Gold certificates not included in total money in the Treasury, since the gold held as security against them is included in the second column preceding.

[5] Revised.

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TABLE 89.—*Stock of money, by kinds, at the end of each fiscal year from 1913 through 1943* [1]

[Dollars in thousands]

June 30—	Gold [2]	Silver bullion [2]	Standard silver dollars [2]	Subsidiary silver	Minor coin	United States notes [2]	Federal Reserve notes [2]	Federal Reserve Bank notes [2]	National bank notes [2]	Total [3]	Percentage of gold to total money
1913	$1,870,762		$568,273	$175,196	$56,951	$346,681			$759,158	$3,777,021	49.53
1914	1,890,657		568,272	182,007	59,536	346,681			750,672	3,797,825	49.78
1915	1,985,539		568,272	185,430	61,327	346,681	$84,261		819,274	4,050,783	49.02
1916	2,444,636		568,271	188,890	63,909	346,681	176,168	$9,000	744,175	4,541,730	53.83
1917	3,220,242		568,270	198,275	69,688	346,681	547,408	12,790	715,420	5,678,774	56.71
1918	3,162,808		499,516	231,857	78,146	346,681	1,847,580	15,444	724,205	6,906,237	45.80
1919	3,113,306		308,146	242,870	82,909	346,681	2,687,557	187,667	719,277	7,688,413	40.49
1920	2,865,482		268,857	258,855	92,479	346,681	3,405,877	201,226	719,038	8,158,496	35.12
1921	3,274,730		288,788	271,314	98,522	346,681	3,000,430	150,772	743,290	8,174,528	40.06
1922	3,784,652		381,174	271,211	98,593	346,681	2,555,062	80,495	758,202	8,276,070	45.73
1923	4,049,554		491,887	269,186	99,056	346,681	2,676,902	22,083	747,440	8,702,788	46.53
1924	4,488,391		503,755	277,614	102,445	346,681	2,339,048	10,596	778,012	8,846,542	50.74
1925	4,360,382		522,061	283,472	104,004	346,681	1,942,240	7,176	733,366	8,299,382	52.54
1926	4,447,397		533,491	288,923	108,891	346,681	1,995,206	5,713	702,669	8,428,971	52.76
1927	4,587,298		537,944	295,590	113,295	346,681	2,077,473	4,854	704,146	8,667,282	52.93
1928	4,109,163		539,962	299,010	116,689	346,681	2,002,811	4,155	699,621	8,118,091	50.62
1929	4,324,351		539,961	304,187	120,640	346,681	2,194,970	3,711	704,294	8,538,796	50.64
1930	4,534,866		539,960	310,978	126,001	346,681	1,746,501	3,260	698,317	8,306,564	54.59
1931	4,955,921		539,958	308,619	126,887	346,681	2,101,578	2,974	697,004	9,079,624	54.58
1932	3,918,596		540,008	304,883	126,493	346,681	3,028,397	2,772	736,674	9,004,505	43.52
1933	4,317,554		540,007	298,634	126,746	346,681	3,336,866	141,326	970,601	10,078,417	42.84
1934	7,856,181	$1,560	540,007	295,892	127,711	346,681	3,350,988	160,666	954,695	13,634,381	57.62
1935	9,115,643	313,309	545,642	312,416	133,040	346,681	3,492,854	84,354	769,096	15,113,035	60.32
1936	10,608,417	708,211	547,080	331,716	139,057	346,681	4,296,310	53,300	371,722	17,402,493	60.96
1937	12,318,271	835,196	547,080	358,899	150,954	346,681	4,508,973	38,472	272,164	19,376,690	63.57
1938	12,962,954	1,037,163	547,079	373,461	157,183	346,681	4,420,815	30,840	220,688	20,096,865	64.50
1939	16,110,079	1,230,586	547,079	379,812	161,147	346,681	4,763,989	26,074	189,292	23,754,736	67.82
1940	19,963,091	1,353,162	547,078	402,261	173,909	346,681	5,481,778	22,809	167,190	28,457,960	70.15
1941	22,624,198	1,435,909	547,078	447,248	199,364	346,681	7,001,521	20,704	151,909	32,774,611	69.03
1942	22,736,705	1,505,844	547,077	529,814	224,748	346,681	9,790,727	18,976	140,337	35,840,908	63.44
1943	22,387,522	1,519,746	538,996	659,968	244,850	346,681	14,404,174	632,971	133,358	40,868,266	54.78

[1] See note 1, p. 711. For figures for years prior to 1913, see annual report for 1928, pp. 552–553.

[2] A part of the gold and silver included in the stock of money is held as a reserve against other kinds of money, as follows: (1) As a reserve for United States notes and Treasury notes of 1890—gold bullion varying in amount from $150,000,000 to $156,039,431 during the years included in the table; (2) as security for Treasury notes of 1890—an equal dollar amount in standard silver dollars (these notes are being canceled and retired on receipt); (3) as security for outstanding silver certificates—silver in bullion and standard silver dollars of a monetary value equal to the face amount of such silver certificates; and (4) as security for gold certificates—gold bullion of a value at the legal standard equal to the face amount of such gold certificates. Federal Reserve notes are obligations of the United States and a first lien on all the assets of the issuing Federal Reserve Bank. Federal Reserve notes are secured by the deposit with Federal Reserve agents of a like amount of gold certificates or of gold certificates and such discounted or purchased paper as is eligible under the terms of the Federal Reserve Act, or, until June 30, 1945, of direct obligations of the United States if so authorized by a majority vote of the Board of Governors of the Federal Reserve System. Federal Reserve Banks must maintain a reserve in gold certificates of at least 40 percent, including the redemption fund which must be deposited with the Treasurer of the United States, against Federal Reserve notes in actual circulation. "Gold certificates" as herein used includes credits with the Treasurer of the United States payable in gold certificates. Federal Reserve Bank notes and national bank notes are in process of retirement. The monetary value of gold was changed from $20.67+ per fine ounce to $35.00 per fine ounce on Jan. 31, 1934.

[3] The totals involve a duplication to the extent that United States notes, Federal Reserve notes, Federal Reserve Bank notes, and national bank notes, all included in full, are in part secured by gold, also included in full. Gold certificates, silver certificates, and Treasury notes of 1890 have been excluded, however, since they are complete duplications of the equal amounts of gold or silver held as security therefor and included in the totals.

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TABLE 90.—*Money in circulation, by kinds, at the end of each fiscal year from 1913 through 1943* [1]

[Dollars in thousands]

June 30—	Gold coin	Gold certificates [2]	Standard silver dollars	Silver certificates [2]	Treasury notes of 1890 [2]	Subsidiary silver	Minor coin	United States notes [2]	Federal Reserve notes [2]	Federal Reserve Bank notes [2]	National bank notes [2]	Total
1913	$608,401	$1,003,998	$72,127	$469,129	$2,657	$154,458	$54,954	$337,215	----------	----------	$715,754	$3,418,692
1914	611,545	1,026,149	70,300	478,602	2,428	159,966	57,419	337,846	----------	----------	715,180	3,459,434
1915	587,537	821,869	64,499	463,147	2,245	159,043	58,516	309,796	$70,810	----------	782,120	3,319,582
1916	624,939	1,050,266	66,234	476,279	2,098	171,178	62,998	328,227	149,152	$1,683	716,204	3,649,258
1917	666,545	1,082,926	71,754	468,365	1,970	193,745	68,411	311,595	506,756	3,702	690,635	4,066,404
1918	537,230	511,190	77,201	370,349	1,851	216,492	74,958	291,859	1,698,190	10,970	691,407	4,481,697
1919	474,875	327,552	79,041	163,445	1,745	229,316	81,780	274,119	2,450,278	155,014	639,472	4,876,638
1920	474,822	259,007	76,749	97,606	1,656	248,863	90,958	278,144	3,064,742	185,431	689,608	5,467,589
1921	447,272	200,582	65,883	158,843	1,576	235,295	91,409	259,170	2,599,598	129,942	721,421	4,910,992
1922	415,937	173,342	57,973	265,335	1,510	229,310	89,157	292,343	2,138,715	71,868	727,681	4,463,172
1923	404,181	386,456	57,262	364,258	1,460	247,307	93,897	302,749	2,234,660	19,969	711,076	4,823,275
1924	393,330	801,381	54,015	364,414	1,423	252,995	96,952	297,790	1,843,106	10,066	733,835	4,849,307
1925	402,297	1,004,823	54,289	382,780	1,387	262,009	100,307	282,578	1,636,108	6,921	681,709	4,815,208
1926	391,703	1,057,371	51,577	377,741	1,356	270,072	104,194	294,916	1,679,407	5,453	651,477	4,885,266
1927	384,957	1,007,075	48,717	375,798	1,327	275,605	108,132	292,205	1,702,843	4,606	650,057	4,851,321
1928	377,028	1,019,149	46,222	384,577	1,304	278,175	111,061	298,438	1,626,433	4,029	650,212	4,796,626
1929	368,488	934,994	43,684	387,073	1,283	284,226	115,210	262,188	1,692,721	3,616	652,812	4,746,297
1930	357,236	994,841	38,629	386,915	1,260	281,231	117,436	288,389	1,402,066	3,206	650,779	4,521,988
1931	363,020	996,510	34,326	377,149	1,240	273,147	117,393	299,427	1,708,429	2,929	648,363	4,821,933
1932	452,763	715,683	30,115	352,605	1,222	256,220	113,619	289,076	2,780,229	2,746	700,894	5,695,171
1933	320,939	265,487	27,995	360,699	1,186	256,865	112,532	268,809	3,060,793	125,845	919,614	5,720,764
1934	(3)	149,740	30,013	401,456	1,189	280,400	119,142	279,608	3,068,404	141,645	901,872	5,373,470
1935	(3)	117,167	32,308	701,474	1,182	295,773	125,125	285,417	3,222,913	81,470	704,263	5,567,093
1936	(3)	100,771	35,029	954,592	1,177	316,476	134,691	278,190	4,002,216	51,954	366,105	6,241,200
1937	(3)	88,116	38,046	1,078,071	1,172	340,827	144,107	281,459	4,168,780	37,616	268,862	6,447,056
1938	(3)	78,500	39,446	1,230,156	1,169	341,942	145,625	262,155	4,114,338	30,118	217,441	6,460,891
1939	(3)	71,930	42,407	1,453,573	1,166	361,209	154,869	265,962	4,483,552	25,593	186,480	7,046,743
1940	(3)	66,793	46,020	1,581,662	1,163	384,187	168,977	247,887	5,163,284	22,373	165,155	7,847,501
1941	(3)	62,872	52,992	1,713,508	1,161	433,485	193,963	299,514	6,684,209	20,268	150,460	9,612,432
1942	(3)	59,399	66,093	1,754,255	1,158	503,947	213,144	316,886	9,310,135	18,717	139,131	12,382,866
1943	(3)	56,909	83,701	1,648,571	1,155	610,005	235,672	322,343	13,746,612	584,162	132,130	17,421,260

[1] See note 1, p. 711. For figures for years prior to 1913, see annual report for 1928, pp. 554-555.

[2] For description of security held for redemption, see note 2, p. 712.

[3] Under the order of the Secretary of the Treasury of Dec. 28, 1933, as amended and supplemented on Jan. 11 and 15, 1934, all gold coin domestically owned (with minor exceptions) was required to be delivered for the account of the Treasurer of the United States, and under the Gold Reserve Act of 1934 (Jan. 30) withdrawn from circulation and formed into bars. Gold coin ($287,000,000) shown on Treasury records as being then outstanding was dropped from the monthly circulation statement as of Jan. 31, 1934.

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TABLE 91.—*Stock of money, money in the Treasury, in the Federal Reserve Banks, and in circulation, by kinds, June 30, 1943*

Kind of money	Stock of money	Money held in the Treasury					Money outside of the Treasury				Population of continental United States (estimated)
		Total	Amount held as security against gold and silver certificates (and Treasury notes of 1890)	Reserve against United States notes (and Treasury notes of 1890)	Held for Federal Reserve Banks and agents	All other money	Total	Held by Federal Reserve Banks and agents	In circulation [1]		
									Amount	Per capita	
Gold	[2] $22,387,522,108	$22,387,522,108	$20,281,298,391	$156,039,431		[3] $1,950,184,286					
Gold certificates	[4] (20,281,298,391)	[4] (17,408,944,852)			[4] [5] ($17,408,944,852)		$2,872,353,539	$2,815,444,500	$56,909,039	$0.42	
Standard silver dollars	538,996,271	453,314,364	397,990,792			55,323,572	85,681,907	1,981,390	83,700,517	.61	
Silver bullion	1,519,745,774	1,519,745,774	1,519,745,774								
Silver certificates	[4] (1,916,581,744)						1,916,581,744	268,010,390	1,648,571,354	12.07	
Treasury notes of 1890	[4] (1,154,822)						1,154,822		1,154,822	.01	
Subsidiary silver	659,967,847	36,857,478				36,857,478	623,110,369	13,104,975	610,005,394	4.47	
Minor coin	244,849,576	4,330,513				4,330,513	240,519,063	4,846,779	235,672,284	1.72	
United States notes	346,681,016	2,951,537				2,951,537	343,729,479	21,386,712	322,342,767	2.36	
Federal Reserve notes	14,404,174,100	60,261,280				60,261,280	14,343,912,820	597,301,170	13,746,611,650	100.69	
Federal Reserve Bank notes	632,971,232	1,131,823				1,131,823	631,839,409	47,677,300	584,162,109	4.28	
National bank notes	133,357,652	649,565				649,565	132,708,087	578,050	132,130,037	.97	
Total, June 30, 1943	40,868,265,576	24,466,764,442	22,199,034,957	156,039,431	[4] (17,408,944,852)	[6] 2,111,690,054	[7] 21,191,591,239	3,770,331,266	17,421,259,973	127.60	136,527,000
Comparative totals:											
May 31, 1943	40,471,020,025	24,502,304,442	22,245,605,469	156,039,431	17,445,526,642	2,100,659,542	20,768,794,410	3,655,062,995	17,113,731,415	125.49	136,380,000
June 30, 1942	35,840,908,269	24,783,526,439	22,596,351,698	156,039,431	17,750,402,742	2,031,135,310	15,903,330,786	3,520,464,681	12,382,866,105	[r] 91.88	[r] 134,778,000
October 31, 1920	8,479,620,824	2,436,864,530	718,674,378	152,979,026	1,212,360,791	352,850,336	6,761,430,672	1,063,216,060	5,698,214,612	53.21	107,096,000
March 31, 1917	5,396,596,677	2,952,020,313	2,681,691,072	152,979,026		117,350,216	5,126,267,436	953,321,522	4,172,945,914	40.23	103,716,000
June 30, 1914	3,797,825,099	1,845,569,804	1,507,178,879	150,000,000		188,390,925	3,459,434,174		3,459,434,174	34.93	99,027,000
January 1, 1879	1,007,084,483	212,420,402	21,602,640	100,000,000		90,817,762	816,266,721		816,266,721	16.92	48,231,000

NOTE.—For description of security held, see note 2, p. 712.

[r] Revised.

[1] The money in circulation includes any paper currency held outside the continental limits of the United States.

[2] Does not include gold other than that held by the Treasury.

[3] Includes $1,800,000,000 exchange stabilization fund and $143,712,341 balance of increment resulting from reduction in weight of the gold dollar.

[4] These amounts are not included in the total, since the gold or silver held as security against gold and silver certificates and Treasury notes of 1890 is included under gold, standard silver dollars, and silver bullion, respectively.

[5] This total includes credits with the Treasurer of the United States payable in gold certificates in (1) the gold certificate fund-Board of Governors, Federal Reserve System, in the amount of $17,355,271,026, and (2) the redemption fund for Federal Reserve notes in the amount of $53,673,826.

[6] Includes $77,000,000 lawful money deposited as a reserve for postal savings deposits.

[7] The amount of gold and silver certificates and Treasury notes of 1890 should be deducted from this amount before combining with total money held in the Treasury to arrive at the total amount of money in the United States.

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MISCELLANEOUS

TABLE 92.—*Net expenditures for Federal aid to States, individuals, etc. (exclusive of emergency appropriations from which grants are made to States), fiscal years 1920, 1930, 1940, and 1943*

Appropriation titles	1920	1930	1940	1943
I. APPROPRIATIONS FROM WHICH DIRECT PAYMENTS ARE MADE TO STATES, INDIVIDUALS, ETC., UNDER COOPERATIVE ARRANGEMENTS				
EXECUTIVE OFFICE				
War Manpower Commission				
National Youth Administration (act June 26, 1940, 54 Stat. 590; 55 Stat. 487–488, 491–492)				$58,985,392.95
War Shipping Administration				
State marine schools, act Mar. 4, 1911 (34 U. S. C. 1121)	(1)	(1)	(1)	142,622.97
				59,128,015.92
INDEPENDENT ESTABLISHMENTS				
Federal Power Commission				
Payments to States under Federal Power Act (16 U. S. C. 810)		$12,875.14	$19,386.33	42.56
Federal Security Agency				
Colleges for agriculture and the mechanic arts (7 U. S. C. 321–343g)	$2,500,000.00	2,550,000.00	2,550,000.00	2,550,000.00
Further endowment of colleges of agriculture and the mechanic arts (7 U. S. C. 343e–343g; 54 Stat. 582)			2,480,000.00	2,480,000.00
Cooperative vocational education in agriculture (20 U. S. C. 11–30)	707,130.02	3,151,339.81	[2] *19,729.92*	
Cooperative vocational education in trades and industries (20 U. S. C. 11–30)	780,096.35	2,956,295.12	[2] *9,786.58*	
Cooperative vocational education, teachers, etc. (20 U. S. C. 11–30)	619,556.42	1,029,078.43	[2] *10,000.00*	
Cooperative vocational education in home economics (20 U. S. C. 11–30)		248,957.29	[2] *18,430.61*	
Cooperative vocational education in distributive occupations (20 U. S. C. 11–30)			[2] *10,000.00*	
Cooperative vocational rehabilitation of persons disabled in industry (29 U. S. C. 31–45b)		735,618.96	2,082,197.81	2,782,064.87
Further development and promotion of vocational education (20 U. S. C. 15h–15p; 54 Stat. 583, 29–30; 29 U. S. C. 31–35)			19,384,914.13	20,860,622.46
Vocational education and training of defense workers (54 Stat. 632; 1033–1035; 55 Stat. 476–477)				118,870,195.64
Civilian Conservation Corps (16 U. S. C. 584–584q; 54 Stat. 581)			270,856,832.30	
To promote the education of the blind (American Printing House for the Blind) (20 U. S. C. 101, 102)	30,000.00	75,000.00	115,000.00	125,000.00
Expenses, Division of Venereal Diseases, Public Health Service (42 U. S. C. 24, 25; 52 Stat. 439, 440)			4,188,399.31	9,325,057.42
Grants to States for public health work, Social Security Act, Aug. 14, 1935 (42 U. S. C. 801–803)			9,500,706.43	10,572,671.87
Payment to States, United States Employment Service (29 U. S. C. 49–491)			3,366,606.00	(3)
Grants to States under Social Security Act (42 U. S. C. 301–606, 1201–1206)			329,303,433.26	432,103,551.60
Grants to States for public employment offices (29 U. S. C. 49–491)				(3)
National Youth Administration (act June 26, 1940, 54 Stat. 590; 55 Stat. 487–488, 491–492)				(4)
Total	4,636,782.79	10,746,289.61	643,760,142.13	599,669,163.86

Footnotes at end of table.

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TABLE 92.—*Net expenditures for Federal aid to States, individuals, etc. (exclusive of emergency appropriations from which grants are made to States), fiscal years 1920, 1930, 1940, and 1943*—Continued

Appropriation titles	1920	1930	1940	1943
I. APPROPRIATIONS FROM WHICH DIRECT PAYMENTS ARE MADE TO STATES, INDIVIDUALS, ETC., UNDER COOPERATIVE ARRANGEMENTS—Continued				
INDEPENDENT ESTABLISHMENTS—con.				
Federal Works Agency				
Cooperative construction of rural post roads (23 U. S. C. 21, 54) (see also items of similar type under class II)	$20,305,622.75	$77,887,692.53	$150,469.87	
Federal-aid highway system (23 U. S. C. 1–24, 41, 21a, 23a, 41a)			105,351,357.88	$61,700,127.88
Federal-aid secondary or feeder roads (act June 16, 1936, 49 Stat. 1521, sec. 7)			18,355,138.85	6,603,777.38
Elimination of grade crossings (act June 16, 1936, 49 Stat. 1521, sec. 8)			29,521,720.26	13,630,204.37
Public-lands highways (act June 16, 1936, 49 Stat. 1520, sec. 3)			2,128,682.39	216,444.08
United States Housing Authority fund (42 U. S. C. 1404 (d), 1418; 50 Stat. 889, 897, sec. 4 (d), 18)			1,386,132.08	
Annual contributions, United States Housing Authority (42 U. S. C. 1410)				(5)
Total	20,305,622.75	77,887,692.53	156,893,501.33	82,150,553.71
Interdepartmental Social Hygiene Board				
Payments for prevention and research, venereal diseases (41 Stat. 888)	1,759,262.72			
National Housing Agency				
Annual contributions, Federal Public Housing Authority (42 U. S. C. 1410)				9,882,882.45
Veterans' Administration				
State and territorial homes for disabled soldiers and sailors (24 U. S. C. 134) (Annual appropriations under title "Salaries and expenses, Veterans' Administration")	1,094,584.44	575,206.34	978,766.88	1,198,195.02
DEPARTMENT OF AGRICULTURE				
Payments to States and Territories for agricultural experiment stations (7 U. S. C. 301–308, 361–386f, 369a, 427–427g)	1,440,000.00	4,335,000.00	6,848,148.63	6,921,711.71
Cooperative agricultural extension work (7 U. S. C. 301–308, 341–348, 343c–343e, 343f, 343g)	4,471,593.71	7,539,786.13	18,458,266.78	18,783,708.49
Payments to States and Territories from the national forests fund (16 U. S. C. 500)	1,069,886.88	1,565,032.06	1,192,369.57	1,668,716.47
Payments to school funds, Arizona and New Mexico, national forests fund (act June 20, 1910, 36 Stat. 561, 573, secs. 6, 24)	78,867.32	41,243.00	23,554.99	22,832.43
Forest-fire cooperation (16 U. S. C. 564–570)		1,383,040.89	1,987,537.50	3,545,134.13
Cooperative distribution of forest planting stock (16 U. S. C. 567)		80,315.09	90,331.66	114,729.16
Conservation and use of agricultural land resources (act Feb. 29, 1936, 16 U. S. C. 590G–590q)			552,042,803.99	390,716,798.25
Payments to counties from submarginal land program (7 U. S. C. 1012)				59,474.22
Supply and distribution of farm labor, War Food Administration (57 Stat 70)				6,160,000.00
	7,060,347.91	14,944,417.17	580,643,013.12	427,993,105.13

Footnotes at end of table.

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TABLE 92.—*Net expenditures for Federal aid to States, individuals, etc. (exclusive of emergency appropriations from which grants are made to States), fiscal years 1920, 1930, 1940, and 1943*—Continued

Appropriation titles	1920	1930	1940	1943
I. APPROPRIATIONS FROM WHICH DIRECT PAYMENTS ARE MADE TO STATES, INDIVIDUALS, ETC., UNDER COOPERATIVE ARRANGEMENTS—Continued				
DEPARTMENT OF THE INTERIOR				
Payments to States from receipts under Mineral Leasing Act (30 U. S. C. 191)		$1,387,838.33	$2,151,654.16	$2,561,836.90
Payments to States under Grazing Act, June 28, 1934, public lands (43 U. S. C. 315i)			503,969.63	98,623.51
Payments to States under Grazing Act, June 28, 1934, Indian ceded lands (43 U. S. C. 315j)				
Payments to counties from receipts under Migratory Bird Conservation Act (16 U. S. C. 715e)				25,099.07
Payment to States of 5% of proceeds of public lands (receipt limitation) (31 U. S. C. 711, par. 17; annual appropriation provided for 1942, act June 28, 1941, 55 Stat. 310)		18,291.68	602.08	4,792.28
Coos Bay wagon-road grant fund (act Feb. 26, 1919, 40 Stat. Sec. 5)		[5] 43,612.97	(6)	
Revested Oregon and California Railroad and reconveyed Coos Bay wagon-road grant lands, Oregon (reimbursable) (act Aug. 28, 1937, 50 Stat. 874)			142,040.85	
Payment of proceeds of sales of Coos Bay wagon-road grant lands and timber (receipt limitation) (act Feb. 26, 1919, 40 Stat. 1179)			12,771.12	
Payments to Coos and Douglas Counties, Oreg., in lieu of taxes on Coos Bay wagon-road grant lands (act May 24, 1939, 53 Stat. 753)			221.00	
Payment to certain counties in Oregon in lieu of taxes on Oregon and California grant lands (receipt limitation) (act June 9, 1916, 39 Stat. 222, sec. 10, and various supplemental acts; additional annual appropriation provided for 1939, act June 25, 1938, 52 Stat. 1129)		186,829.45	(7)	(7)
Payment to counties, Oregon and California grant lands (50%)				
Payment to counties in lieu of taxes on Oregon and California grant lands, 25 per centum fund (25%) (act Aug. 28, 1937, 50 Stat. 875)		792,558.45	313,845.13	718,509.62
Payment to Oklahoma from royalties, oil and gas, south half of Red River (receipt limitation) (act Mar. 4, 1923, 30 U. S. C. 233)		41,777.90	8,786.13	
Payment to States from potash deposits, royalties and rentals (act Feb. 7, 1927, secs. 5 and 6 (30 U. S. C. 149, 285, 286))			49,255.80	
Payment to Alaska under Alaska Game Law (48 U. S. C. 199, Subdiv. K)			[8] 20,280.63	17,250.64
Payments to Arizona and Colorado for Colorado River Dam fund, Boulder Canyon Project (43 U. S. C. 617a, f)				1,800,000.00
		2,470,908.78	3,203,426.53	5,226,112.02
DEPARTMENT OF LABOR				
Grants to States under Social Security Act, Aug. 14, 1935 (42 U. S. C. 701–705, 711–715, 721)			9,680,706.10	11,138,872.09
Promotion of welfare and hygiene of maternity and infancy		[9] 9,522.00		
		9,522.00	9,680,706.10	11,138,872.09
TREASURY DEPARTMENT				
Expenses of absentee voting by members of the land and naval forces, Treasury Department, Public Law 712 (56 Stat. 753, 1003)				74,432.92

Footnotes at end of table.

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TABLE 92.—*Net expenditures for Federal aid to States, individuals, etc. (exclusive of emergency appropriations from which grants are made to States), fiscal years 1920, 1930, 1940, and 1943*—Continued

Appropriation titles	1920	1930	1940	1943
I. APPROPRIATIONS FROM WHICH DIRECT PAYMENTS ARE MADE TO STATES, INDIVIDUALS, ETC., UNDER COOPERATIVE ARRANGEMENTS—Continued				
NAVY DEPARTMENT				
State marine schools, act Mar. 4, 1911 (34 U. S. C. 1121)	$176,689.36	$50,000.00	$140,035.61	[1]
Total class I	35,033,289.97	106,696,911.57	1,395,318,978.03	$1,196,461,375.68
II. APPROPRIATIONS FOR COOPERATIVE WORK WITH STATES				
DEPARTMENT OF AGRICULTURE				
Cooperative construction, etc., of roads and trails, national forests (act July 11, 1916, 39 Stat. 358)	1,699,043.82	[10]	[10]	[10]
Federal forest road construction (act Feb. 28, 1919, 40 Stat. 1201)	2,550,513.26	[10]	[10]	[10]
Forest roads and trails (23 U. S. C. 23, 23a)		7,961,031.77	11,478,686.21	[11] 4,948,920.50
Forest reserve fund, roads and trails for States (16 U. S. C. 501)				
Cooperative fire protection of forested watersheds of navigable streams (16 U. S. C. 563)	86,886.73			
Cooperative farm forestry (16 U. S. C. 567–568b)		58,880.69		
	4,336,443.81	8,019,912.46	11,478,686.21	4,948,920.50
DEPARTMENT OF THE INTERIOR				
Federal aid, wildlife restoration (act Sept. 2, 1937, 50 Stat. 917)			[12] 451,298.51	1,695,374.53
TREASURY DEPARTMENT				
Public Health Service				
Preventing the spread of epidemic diseases		273,329.98		
Interstate quarantine service		71,117.32		
Studies in rural sanitation		345,159.45		
		689,606.75		
WAR DEPARTMENT				
National Guard (32 U. S. C. 21, 22)	2,663,485.27	31,987,927.34	71,019,749.28	1,891,389.37
Total class II	6,999,929.08	40,697,446.55	82,949,734.00	8,535,684.40
Grand total	42,033,219.05	147,394,358.12	1,478,268,712.03	1,204,997,060.08

[1] This account was transferred from Navy Department to Executive Office, Office for Emergency Management, War Shipping Administration, by Executive Order No. 9198, dated July 11, 1942. Expenditures for fiscal years 1920, 1930, and 1940 are stated under Navy Department.

[2] Deduct; represents net repayments. These accounts were discontinued, but their functions are continued under the two accounts immediately following.

[3] This account was discontinued in 1941 and its functions continued under "Grants to States for public employment offices," stated under that caption. No expenditures for this activity in 1943.

[4] The National Youth Administration was transferred from Federal Security Agency to Executive Office, Office for Emergency Management, War Manpower Commission, pursuant to Executive Order No. 9247, dated Sept. 17, 1942. Expenditures for 1943 are stated above. Expenditures for 1940 were made from Emergency Relief Appropriation Act funds, therefore not stated in this table.

[5] Executive Order No. 9070, dated Feb. 24, 1942, transferred the U. S. Housing Authority, its functions and duties to the National Housing Agency, Federal Public Housing Authority. Expenditures for 1943 are stated under National Housing Agency.

[6] Special fund account repealed as a permanent appropriation, effective July 1, 1935, by sec. 4 of the Permanent Appropriation Repeal Act, June 26, 1934 (48 Stat. 1227). Annual appropriation provided for same object under the account immediately following.

[7] Expenditures under this caption stated under combined accounts immediately following.

[8] Expenditures formerly classified under "Federal aid, wildlife restoration" in Class II of this statement.

[9] Activities under this caption expired June 30, 1929.

[10] These accounts consolidated with combined accounts immediately following.

[11] Expenditures under this caption comprise $3,609,772.93 by Department of Agriculture and $1,339,147.57 by Bureau of Public Roads, Federal Works Agency.

[12] This figure is reduced by amount of expenditures under "Alaska Game Law" now stated under Department of the Interior, Class I of this statement. (See footnote 8.)

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TABLE 93.—*Expenditures made by the Government as direct payments to States, etc., under cooperative arrangements and expenditures within States which provided relief and other aid, fiscal year 1943*

The Treasury Department, for general information, has compiled from figures furnished by the departments and establishments concerned the following statement, exhibiting by States and Territories the amounts paid to each under the appropriations for Federal aid to States shown under Classes I and II in the preceding table. The amounts in this table, derived from the accounts of various departments and establishments, are not necessarily on the same accounting bases, and consequently not strictly comparable]

PART A.—DIRECT PAYMENTS TO STATES, ETC., UNDER COOPERATIVE ARRANGEMENTS

States, etc.	Department of Agriculture						Department of the Interior			Executive Office	Federal Power Commission	Veterans' Administration
	Agricultural experiment stations	Agricultural extension work	Supply and distribution farm labor	Forest funds, etc. [1]	Roads and trails [2]	Payments to counties from submarginal land program	Wildlife restoration [3]	Payments from receipts under Mineral Leasing Act	Payments under certain special funds [4]	War Shipping Administration, State marine schools [5]	Payments to States under Federal Power Act	State and territorial homes for disabled soldiers and sailors
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
Alabama	$172,695.12	$695,016.12	$115,000.00	$134,554.00	$9,378.20	$105.94	$30,859.31	$1,633.49	$133.66		$42.56	
Arizona	103,285.16	117,243.39	40,000.00	22,634.79	89,636.04	58.57	72,105.16		911,606.68			
Arkansas	153,983.20	573,665.04	135,000.00	111,674.09	69,610.90	2,751.61	18,840.69		853.33			
California	171,893.64	451,911.62	550,000.00	452,560.12	190,629.53	384.32	169,293.15	743,625.21	9,032.39	$25,000.00		$235,958.40
Colorado	112,430.96	211,011.59	85,000.00	13,150.00	107,318.08	3,759.01	46,524.46	67,299.36	5,756.93			17,934.60
Connecticut	112,504.87	131,919.95	45,000.00	31,250.49			5,044.42					71,560.80
Delaware	94,272.37	76,723.21	20,000.00	4,369.44		4.88	1,766.72					
District of Columbia												
Florida	124,782.16	224,854.50	115,000.00	223,436.00	23,133.15	322.66	30,683.73		1,701.92			
Georgia	177,522.92	732,398.45	180,000.00	105,326.18	14,379.16	1,331.30	61.60					
Idaho	104,219.84	154,187.71	75,000.00	85,947.25	135,804.42	714.98	36,185.38	391.80	4,960.91			12,372.00
Illinois	176,735.73	569,228.55	250,000.00	17,263.61	3,494.25	1,548.34	18,971.88					187,308.72
Indiana	152,900.44	464,889.18	160,000.00	19,379.28	355.16		33,192.39					53,354.20
Iowa	154,854.64	529,200.72	260,000.00	2,867.00	193.67		37,677.23					28,739.79
Kansas	140,050.96	390,812.53	145,000.00	2,891.00		62.10	55,720.49	2,504.44				19,177.17
Kentucky	171,533.32	663,369.49	140,000.00	23,740.00	6,324.54	21.29	6,292.42					
Louisiana	146,502.80	467,898.20	115,000.00	101,790.18	14,806.80	736.86	19,674.50	8,697.78	93.44			
Maine	110,692.16	156,039.75	45,000.00	87,143.53	651.53	7.63	27,251.51			39,282.61		
Maryland	120,259.72	197,752.21	65,000.00	105,733.00		58.46	10,056.12					
Massachusetts	108,674.92	139,614.87	60,000.00	40,307.62			7,073.57			25,000.00		93,445.88
Michigan	163,566.60	507,525.36	160,000.00	167,861.68	23,412.26	253.24	127,327.98	14.06	1.60			46,052.22
Minnesota	147,269.04	486,452.85	200,000.00	118,542.24	43,103.05		67,502.95		61.70			60,512.40
Mississippi	162,651.40	694,704.66	120,000.00	92,168.22	15,119.10	505.41	20,523.52		205.18			
Missouri	166,967.80	602,491.45	185,000.00	42,470.07	7,020.63	287.53	31,287.52		7.48			15,232.20
Montana	105,502.16	173,410.66	75,000.00	31,970.74	80,308.96	10,377.89	74,530.89	83,509.67	11,502.81			5,739.72
Nebraska	128,776.60	343,158.14	125,000.00	3,086.00	4,016.48	1,734.55	30,932.59		106.09			28,122.27

Footnotes at end of table.

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TABLE 93.—*Expenditures made by the Government as direct payments to States, etc., under cooperative arrangements and expenditures within States which provided relief and other aid, fiscal year 1943*—Continued

PART A.—DIRECT PAYMENTS TO STATES, ETC., UNDER COOPERATIVE ARRANGEMENTS—Continued

States, etc.	Department of Agriculture						Department of the Interior			Executive Office	Federal Power Commission—Payments to States under Federal Power Act	Veterans' Administration—State and territorial homes for disabled soldiers and sailors
	Agricultural experiment stations	Agricultural extension work	Supply and distribution farm labor	Forest funds, etc. [1]	Roads and trails [2]	Payments to counties from submarginal land program	Wildlife restoration [3]	Payments from receipts under Mineral Leasing Act	Payments under certain special funds [4]	War Shipping Administration, State marine schools [5]		
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
Nevada	$92,734.64	$73,031.85	$17,000.00	$2,311.00	$18,324.05	$53.00	$798.59		$900,000.00			
New Hampshire	98,507.40	93,187.48	28,000.00	25,687.52	8,173.78		4,228.91					$6,467.40
New Jersey	121,260.32	170,170.22	70,000.00	70,762.93			11,232.77					26,719.86
New Mexico	104,516.00	142,619.52	45,000.00	3,769.64	44,779.17	2,880.48	20,438.08	$531,337.09	4,670.59			
New York	184,478.24	496,377.57	220,000.00	113,128.67		884.16	57,195.10			$28,625.00		908.86
North Carolina	196,085.56	854,791.23	195,000.00	113,077.79	27,469.47	111.25	22,894.34					
North Dakota	114,675.76	247,482.60	95,000.00	2,937.00	1.25	7,106.62	18,033.42	20,343.76	408.74			6,489.00
Ohio	183,717.64	619,938.82	195,000.00	20,423.25	645.52		84,789.31					107,393.09
Oklahoma	158,450.84	552,601.71	140,000.00	32,024.82	10,165.68	2,020.92	16,504.03	707.30	35.13			
Oregon	112,790.32	187,776.87	120,000.00	299,227.52	206,007.02	1,300.86	43,219.51	123.75	721,289.31			
Pennsylvania	225,322.64	625,801.35	175,000.00	62,186.00	5,707.09	403.95	102,265.65			24,715.36		32,033.40
Rhode Island	92,094.67	57,585.24	15,000.00	21,617.00			1,244.78					14,669.40
South Carolina	149,464.96	496,797.33	115,000.00	154,512.50	24,749.78	17.15	11,287.57					
South Dakota	114,432.44	257,736.13	75,000.00	3,465.00	38,174.34	9,830.37	26,269.88	4,187.35	2,358.50			20,329.20
Tennessee	167,136.04	659,944.55	140,000.00	67,939.71	9,775.25		38,850.48					
Texas	239,364.76	1,189,449.93	400,000.00	75,936.00	21,408.22	2,920.46	62,948.72					
Utah	100,503.68	120,870.24	40,000.00	8,894.00	34,387.70	246.15	1,801.31	94,372.80				
Vermont	100,069.96	112,680.91	40,000.00	28,917.00	7,648.32		4,204.82					8,826.60
Virginia	161,144.56	543,583.93	140,000.00	69,133.92	13,602.42	3.68	18,319.17					
Washington	123,254.64	237,690.33	135,000.00	255,023.00	251,894.05	595.55	39,217.22		2,128.61			56,958.35
West Virginia	145,859.16	342,852.02	55,000.00	74,153.00	7,113.24	36.07	17,994.48					
Wisconsin	150,224.88	484,685.16	190,000.00	127,473.00	16,662.80		87,024.63		37.01			38,919.99
Wyoming	96,759.52	108,382.21	50,000.00	1,259.92	62,892.01	6,036.98	31,431.42	1,003,089.04	44,973.40			2,969.50
Alaska	27,252.44	23,950.00			19,564.63		35,556.17					
Hawaii	76,266.84	126,071.25		3,560.00								
Puerto Rico	100,814.27	202,169.84		3,159.00	875.04		593.70					
Total	6,921,711.71	18,783,708.49	6,160,000.00	3,682,695.72	1,668,716.74	59,474.22	1,737,724.24	2,561,836.90	2,621,925.41	142,622.97	$42.56	1,198,195.02

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States, etc.	Federal Security Agency					Department of Labor		Federal Works Agency—Public roads, highways [7]	Total direct payments
	Community war services day care	Office of Education		American Printing House for the Blind	Payments to States under social security program [6]	Payments to States under social security program	Emergency maternity and infant care		
		Colleges for agriculture and mechanic arts	Cooperative vocational education and rehabilitation						
	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)	(21)
Alabama	$15,656.76	$102,332.47	$599,823.77	$4,980.69	$2,731,561.60	$382,418.62	$20,000.00	$1,218,335.37	$6,234,527.68
Arizona	4,235.27	75,698.05	116,700.90	868.73	2,947,706.17	103,748.31	10,000.00	1,178,048.50	5,793,575.72
Arkansas	5,028.00	92,248.29	445,262.78	2,335.91	3,419,198.23	241,870.19	42,188.00	791,638.92	6,106,149.18
California	30,412.63	148,833.74	1,076,168.35	3,918.91	43,179,767.32	407,021.27		3,346,233.45	51,192,644.05
Colorado	615.00	82,820.14	193,837.24	1,061.78	10,046,875.72	118,103.73		1,295,789.77	12,409,288.37
Connecticut	2,775.00	89,507.51	256,495.02	1,100.39	4,550,257.71	112,742.45	45,000.00	820,976.82	6,276,135.43
Delaware	1,200.00	73,041.61	108,047.10		457,253.39	61,187.41	5,100.00	183,325.96	1,086,292.09
District of Columbia	9,361.86		81,226.29		1,297,021.65	126,178.32		756,874.04	2,270,662.16
Florida	19,075.36	91,655.11	341,856.76	2,007.72	5,511,908.68	205,558.54	4,500.00	1,159,312.09	8,079,788.38
Georgia	14,302.74	105,650.94	750,780.89	2,451.73	5,893,653.96	299,712.73		1,803,486.82	10,081,059.42
Idaho		75,990.36	133,529.27	482.63	2,464,549.51	115,406.76	13,000.00	740,158.08	4,152,900.90
Illinois	4,175.00	160,130.90	1,143,748.23	6,081.08	34,708,929.16	421,254.86	111,240.00	2,417,330.11	40,197,440.42
Indiana	4,957.50	109,121.30	601,399.98	2,355.21	13,235,025.49	148,362.54	25,000.00	1,999,400.64	17,009,693.31
Iowa		98,969.15	428,746.81	3,146.72	8,236,343.81	205,731.89		1,677,080.69	11,663,552.12
Kansas	1,342.00	90,554.99	258,519.80	1,621.62	6,651,761.61	136,624.44	10,000.00	1,028,126.02	8,934,769.17
Kentucky	1,140.00	102,477.04	616,234.71	3,494.21	5,212,946.10	291,834.80	37,500.00	2,053,471.41	9,330,379.33
Louisiana	1,475.00	96,978.88	462,678.05	2,528.96	7,259,143.13	261,144.39		444,287.89	9,403,436.86
Maine	3,160.08	79,669.36	139,113.96		2,987,349.14	137,175.89	20,800.00	753,219.99	4,586,557.14
Maryland	7,538.67	90,785.79	267,452.12	1,814.67	3,658,848.09	190,304.87	27,000.00	876,297.23	5,618,900.95
Massachusetts	2,965.43	119,266.57	510,418.14	4,980.69	21,912,859.75	210,360.12		520,481.19	23,755,448.75
Michigan	10,390.63	129,987.73	863,895.83	5,501.94	18,581,107.68	324,080.03	20,000.00	2,788,348.23	23,919,327.07
Minnesota	2,914.75	101,868.41	495,121.67	2,857.14	11,810,833.02	262,603.62	20,000.00	2,119,491.94	15,939,134.78
Mississippi	5,740.00	94,923.58	534,095.34	2,084.94	2,441,723.66	257,196.06	28,000.00	961,079.52	5,430,720.59
Missouri	3,736.00	113,194.22	682,433.60	2,355.21	16,372,091.41	287,661.63	30,000.00	1,719,640.71	20,261,877.46
Montana		76,385.05	142,254.54	521.24	2,564,180.60	97,609.90	10,000.00	1,019,856.55	4,562,662.38
Nebraska	3,512.97	85,017.57	251,182.14	965.25	5,104,534.43	209,896.89	24,375.00	1,036,916.89	7,381,333.86
Nevada		71,258.25	71,080.27		564,391.78	54,675.41	6,250.00	1,047,475.68	2,919,384.52
New Hampshire	1,240.41	75,609.75	88,010.34		1,512,724.98	78,400.43		496,452.20	2,516,690.60
New Jersey	9,391.59	117,479.80	527,654.53	1,100.38	7,707,416.28	206,618.31	34,000.00	473,015.63	9,546,822.62
New Mexico		76,069.62	121,621.74	965.25	1,435,012.00	176,811.22	39,000.00	1,017,002.32	3,766,492.72
New York	7,410.00	223,836.92	1,811,957.45	9,826.16	31,343,977.48	445,843.51		3,187,964.53	38,132,413.65
North Carolina	7,671.00	110,762.80	809,332.90	6,042.47	4,807,943.96	357,532.49	69,500.00	589,624.47	8,167,839.73
North Dakota		77,326.39	135,299.51	501.93	1,839,000.13	107,533.23		1,245,652.01	3,917,791.35
Ohio	3,700.00	148,836.31	1,059,141.30	5,945.95	27,795,329.48	329,105.33		3,996,529.90	34,550,495.90
Oklahoma	1,170.00	96,665.64	490,163.33	3,223.94	14,359,329.91	246,433.43	83,500.00	566,595.06	16,759,591.74

Footnotes at end of table.

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TABLE 93.—*Expenditures made by the Government as direct payments to States, etc., under cooperative arrangements and expenditures within States which provided relief and other aid, fiscal year 1943*—Continued

PART A.—DIRECT PAYMENTS TO STATES, ETC., UNDER COOPERATIVE ARRANGEMENTS—Continued

States, etc.	Federal Security Agency					Department of Labor			
	Community war services day care	Office of Education		American Printing House for the Blind	Payments to States under social security program [6]	Payments to States under social security program	Emergency maternity and infant care	Federal Works Agency—Public roads, highways [7]	Total direct payments
		Colleges for agriculture and mechanic arts	Cooperative vocational education and rehabilitation						
	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)	(21)
Oregon	$6,897.39	$82,436.51	$200,479.16	$2,837.84	$4,403,353.44	$109,128.64		$1,360,771.14	$7,857,639.28
Pennsylvania		182,990.38	1,493,658.77	8,050.19	27,505,739.88	542,866.33		2,580,865.13	33,567,606.12
Rhode Island	511.80	78,141.40	113,895.66		1,873,097.87	97,365.94	$10,000.00	474,545.11	2,849,768.87
South Carolina	8,380.00	91,682.40	419,024.53	1,969.11	2,540,690.32	268,445.59	40,300.00	902,357.89	5,224,679.13
South Dakota	787.50	77,338.09	115,616.93	849.42	2,363,835.91	119,142.63	20,000.00	787,669.27	4,037,022.96
Tennessee	7,662.49	103,278.40	634,871.83	3,725.87	5,659,041.90	252,833.70		1,438,479.69	9,183,539.91
Texas	6,378.03	143,212.13	1,266,961.86	6,872.59	26,757,508.59	571,413.62		3,984,767.71	34,729,142.62
Utah	9,676.34	76,280.66	130,176.23	849.42	3,311,571.29	127,375.09	20,000.00	1,031,919.43	5,108,924.34
Vermont		74,099.89	118,535.82		927,546.62	93,174.25	22,000.00	321,942.61	1,859,646.80
Virginia	10,422.65	100,561.32	554,313.34	3,590.73	2,854,875.55	244,642.98		693,909.08	5,408,103.33
Washington	13,759.26	89,815.07	314,827.61	1,776.06	15,301,904.36	213,526.30	24,000.00	1,159,555.06	18,220,925.47
West Virginia	2,375.00	91,707.16	370,831.16	2,374.52	5,422,121.71	181,089.53	30,000.00	1,324,443.01	8,067,950.06
Wisconsin	2,292.14	105,809.17	629,633.08	3,455.70	10,417,107.81	211,799.16	25,000.00	2,646,582.50	15,136,707.03
Wyoming		72,861.72	200,792.86		919,527.76	81,061.83	5,000.00	815,853.15	3,502,891.32
Alaska		50,000.00			372,949.20	71,506.96			600,779.40
Hawaii	5,250.00	74,831.46	114,904.58	366.80	542,513.24	81,250.39	10,000.00	827,389.99	1,862,404.55
Puerto Rico		50,000.00	348,879.25	1,158.30	220,241.30	253,505.53		623,333.86	1,804,730.09
Total	260,686.25	5,030,000.00	23,642,687.33	125,000.00	445,996,183.77	11,138,872.09	942,253.00	68,303,905.26	600,978,241.68

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PART B.—GRANTS TO AND EXPENDITURES WITHIN STATES, ETC., PROVIDING DIRECT RELIEF, WORK RELIEF, AND OTHER AID, EXCLUSIVE OF LOANS

States, etc.	Department of Agriculture				Department of the Interior—Territories and Island Possessions [9]	War Department—National Guard [10]	War Manpower Commission—National Youth Administration [11]	Federal Security Agency		
	Farm Security Administration		Agricultural adjustment program	Forest roads and trails				Training of nurses	Public Health Service	Office of Education—Training of defense workers
	Other [8]	War housing								
	(22)	(23)	(24)	(25)	(26)	(27)	(28)	(29)	(30)	(31)
Alabama	$3,050,805.72	$384,307.25	$15,076,003.57	$25,386.90		$32,795.57		$16,256.14	$432,700.00	$3,059,293.53
Arizona	264,077.89		2,377,119.14	123,233.59		9,615.80			48,467.00	714,343.10
Arkansas	2,437,666.71	146,156.09	14,303,330.45	85,967.78		20,793.54		3,840.00	172,570.00	897,396.47
California	3,008,021.68	1,677,737.48	18,507,360.31	711,570.78		74,179.26	$2,279,834.90	143,670.73	424,113.49	13,520,448.03
Colorado	2,080,946.25	3,115.38	11,974,292.27	202,038.57		14,151.82	1,673,995.67	25,236.07	82,342.21	1,241,481.86
Connecticut	75,804.93	81,372.43	757,885.88			35,496.60		50,233.29	79,000.00	982,081.83
Delaware	40,886.02		943,220.62			18,689.65			23,093.26	590,855.54
District of Columbia	3,272,688.10	43,930.15	3,375,016.30	43,262.71		85,613.28	783,556.06	109,140.89	81,592.35	282,024.00
Florida	947,874.42		4,288,751.13	26,559.62		19,350.30		5,076.70	272,834.00	2,595,574.20
Georgia	1,596,541.61		12,484,282.42	38,712.82		60,501.99	7,670,844.77	16,630.12	468,400.00	2,334,118.69
Idaho	430,228.71		8,940,785.52	353,570.21		10,058.71			24,452.00	642,224.68
Illinois	535,950.20	301,190.33	56,196,922.74	28,659.93		75,052.46	6,710,019.84	228,679.10	465,800.00	4,848,481.22
Indiana	1,822,680.66	649,046.13	26,217,872.63	2,239.95		58,561.95		45,857.16	160,446.00	2,875,652.05
Iowa	508,892.82	24,148.42	64,381,404.63	1.14		33,493.47		116,081.82	112,015.00	1,368,855.00
Kansas	628,842.56	868,074.26	35,741,823.06			31,180.85		18,476.00	130,100.00	1,315,858.29
Kentucky	869,785.73		12,721,019.96	51,199.66		19,969.37		21,092.10	344,298.85	2,393,625.63
Louisiana	896,052.70	55,812.87	16,708,483.06	20,870.96		21,039.42		38,224.83	335,431.85	2,327,762.97
Maine	231,971.93	270,880.44	2,056,639.48	890.88		21,719.81		34,947.40	40,565.95	604,221.10
Maryland	280,515.86	4,365,019.39	3,160,796.77			38,678.29		74,159.19	120,428.00	1,333,396.41
Massachusetts	41,966.48		2,463,833.99			73,644.25	6,688,917.34	141,089.42	36,062.40	3,860,555.07
Michigan	476,811.09	439,136.97	16,013,881.09	64,242.76		41,108.27		295,379.41	236,204.00	4,502,024.92
Minnesota	620,634.00		29,333,111.09	50,030.69		48,035.60	3,733,172.62	110,999.06	136,441.91	2,207,173.57
Mississippi	1,321,467.65	458,512.04	17,223,320.72	44,795.18		17,831.90			456,641.01	2,059,572.18
Missouri	1,378,862.64	221,861.44	28,017,639.54	44,487.22		36,650.14	6,030,196.07	81,145.46	182,612.00	2,096,027.62
Montana	417,836.67		13,343,685.94	214,241.23		8,684.79		58,688.20	13,390.00	202,378.52
Nebraska	1,090,097.16		36,831,943.89	2,561.85		14,341.14		5,797.25	45,915.00	576,374.60
Nevada	47,519.77		297,288.42	48,366.26		1,789.06			9,424.00	32,874.53
New Hampshire	83,218.60		631,107.69	28,356.27		29,323.86		10,354.63	23,133.00	742,218.24
New Jersey	169,783.31		1,943,778.27			48,641.80		18,038.70	178,359.00	2,630,993.35
New Mexico	386,400.69		3,219,570.71	116,198.68		15,989.30		8,623.57	53,994.00	520,708.50
New York	434,066.18	271,289.63	16,667,154.83			160,954.33		350,858.46	499,931.00	12,746,527.69

Footnotes at end of table.

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TABLE 93.—*Expenditures made by the Government as direct payments to States, etc., under cooperative arrangements and expenditures within States which provided relief and other aid, fiscal year 1943*—Continued

PART B.—GRANTS TO AND EXPENDITURES WITHIN STATES, ETC., PROVIDING DIRECT RELIEF, WORK RELIEF, AND OTHER AID, EXCLUSIVE OF LOANS—Continued

States, etc.	Department of Agriculture				Department of the Interior—Territories and Island Possessions	War Department—National Guard	War Manpower Commission—National Youth Administration	Federal Security Agency		
	Farm Security Administration		Agricultural adjustment program	Forest roads and trails				Training of nurses	Public Health Service	Office of Education—Training of defense workers
	Other (22)	War housing (23)	(24)	(25)	(26)	(27)	(28)	(29)	(30)	(31)
North Carolina	$2,205,873.64	$423,002.84	$22,095,731.48	$54,845.59		$33,821.74		$57,897.08	$452,253.94	$1,043,363.23
North Dakota	511,482.48		20,558,401.69	10.14		17,495.54		18,391.75	15,782.00	300,719.34
Ohio	591,944.70	1,564,102.19	27,739,327.23	1,884.28		67,194.52	$6,597,887.94	190,582.98	214,432.00	5,661,414.07
Oklahoma	1,038,117.08		17,468,131.12	1,667.20		40,403.88		17,289.46	218,015.63	2,075,693.93
Oregon	1,024,723.63	3,992.12	5,225,353.16	386,839.57		26,129.31		59,038.35	82,317.00	3,482,341.98
Pennsylvania	894,467.08	266,338.36	10,037,195.78	17,780.36		84,242.84	5,796,062.24	355,113.56	383,566.00	9,712,806.18
Rhode Island	9,032.24		362,742.49			30,741.63		3,229.75	33,260.00	404,451.19
South Carolina	812,024.69		9,433,815.70	25,063.98		25,186.07		55,278.70	338,200.00	960,050.07
South Dakota	582,800.63		16,123,679.56	18,050.07		10,174.85		61,488.90	35,630.00	298,600.65
Tennessee	757,579.73		12,093,160.14	36,118.45		49,948.68		80,979.05	240,240.00	2,197,535.07
Texas	3,976,578.65	552,838.94	51,332,036.37	34,590.17		98,919.57	5,039,883.22	107,168.85	654,963.00	4,683,743.34
Utah	307,409.80	356,483.83	3,311,527.72	85,445.20		17,452.76		28,882.22	26,366.00	1,321,962.65
Vermont	75,185.63	316,148.85	1,127,690.50	7,527.63		12,029.48		4,319.59	13,636.87	303,192.49
Virginia	722,152.73	1,477,897.80	6,770,398.13	91,347.21		29,888.89		31,547.18	291,387.00	1,563,473.34
Washington	467,005.32	292,230.26	9,137,998.96	246,150.66		33,888.74		38,078.13	105,895.00	3,095,225.03
West Virginia	491,076.89		2,903,778.78	61,164.76		14,222.32	5,909,943.54	23,868.46	113,808.00	2,174,110.88
Wisconsin	923,288.24	288,368.60	16,373,607.97	41,566.57		88,076.29		56,881.99	111,949.70	2,546,227.95
Wyoming	258,321.17		3,281,371.20	111,562.23		9,952.30			10,835.00	400,880.78
Alaska	12,373.64		7,481.30	49,702.18			45.00		11,184.00	
Hawaii	54,376.38		9,463,034.30			10,688.52	1,103.78	16,300.00	28,828.00	77,272.11
Canal Zone										
Puerto Rico	1,106,395.26	828.40	12,733,027.15	11,011.04	$13,259.59	12,994.86	69,922.46	9,618.00	242,251.00	462,007.97
Virgin Islands	20,225.54		59,002.67		159,800.00		7.50		9,500.00	
Total	46,291,333.89	15,803,822.89	733,837,819.52	3,609,772.93	173,059.59	1,891,389.37	58,985,392.95	3,244,529.70	9,325,057.42	118,870,195.64

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States, etc.	Federal Works Agency						National Housing Agency			Total payments within States	Grand total
	Highways		Public Works Administration	Public Buildings Administration [13]	Work Projects Administration	Office of the Administrator—War public works	Home Owners' Loan Corporation—War housing	Federal Public Housing Authority			
	Forest highways	Public Roads Administration [12]						War housing	Annual contributions		
	(32)	(33)	(34)	(35)	(36)	(37)	(38)	(39)	(40)	(41)	(42)
Alabama		$2,788,906.86	$365.00	$8,983.21	$6,910,718.00	$3,388,158.55		$22,002,333.88	$238,287.31	$57,415,301.49	$63,649,829.17
Arizona	$74,489.41	858,555.51			1,233,303.00	227,151.11	$23,755.46	4,110,313.02	35,185.66	10,099,609.69	15,893,185.41
Arkansas	30,338.25	1,519,848.21		7,012.77	4,725,258.00	940,287.27	55,205.65	8,748,101.25	11,693.06	34,105,465.50	40,211,614.68
California	291,947.63	12,461,932.52		1,157,204.22	9,455,447.00	12,679,593.77	300,274.43	77,180,462.15	81,750.00	153,955,548.38	205,148,192.43
Colorado	132,018.77	1,308,048.32	3,860.09	10,857.08	1,603,497.00	264,919.48	13,074.37	1,196,134.48	57,360.00	21,887,369.69	34,296,658.06
Connecticut		442,977.69	3,701.62	23,191.73	1,714,002.00	1,341,027.67	29,381.98	21,401,656.82	471,660.31	27,489,474.78	33,765,610.21
Delaware		8,336.93		148.44	487,049.00	54,554.02	13,301.96	2,322,929.42		4,503,064.86	5,589,356.95
District of Columbia		1,730,422.43	33,525.00	11,211,925.85	5,039,816.00	4,244,876.54	18,010.53	10,841,740.39		41,197,140.58	43,467,802.74
Florida	18,458.06	1,544,382.10	29,948.94	57,030.79	7,030,201.00	1,969,104.90	62,262.23	6,815,115.85	395,002.36	26,077,526.60	34,157,314.98
Georgia	13,442.04	2,409,578.34	9,416.52	140,034.71	6,406,107.00	3,028,927.56	148,601.59	17,882,752.47	695,137.73	55,404,030.38	65,485,089.80
Idaho	134,655.96	296,211.49		7,981.34	1,316,219.00	89,440.92	148.00	486,649.68	10,620.00	12,743,246.22	16,896,147.12
Illinois		2,586,540.24	422,692.83	1,143,824.31	18,464,812.00	2,238,144.90	37,249.86	12,695,851.41	290,530.56	107,270,401.93	147,467,842.35
Indiana		1,590,613.89	95,538.75	43,750.38	5,555,210.00	1,676,389.11	39,046.09	16,435,153.82	136,196.84	57,404,255.41	74,413,948.72
Iowa		1,727,813.00	210.71	4,288.51	2,825,568.00	472,061.79		1,628,851.49		73,203,685.80	84,867,237.92
Kansas		798,975.93	457.65	6,078.60	2,331,000.00	1,157,728.93	83,045.22	18,219,261.04		61,330,902.39	70,265,671.56
Kentucky		1,117,469.26	2,242.77	38,892.95	6,504,182.00	872,360.74		32,002.98	384,249.47	25,372,391.47	34,702,770.80
Louisiana	19,943.34	1,623,796.99		74,856.21	4,978,478.00	1,401,381.84	53,299.65	829,547.38	591,547.51	29,976,529.58	39,379,966.44
Maine	4,127.45	986,813.94		7,819.37	1,583,031.00	1,802,990.27	6,702.30	7,249,853.54		14,903,174.86	19,489,732.00
Maryland		5,595,124.41	668,055.57	243,328.35	2,438,901.00	2,622,761.20	41,338.04	12,167,096.83	31,425.91	33,181,025.22	38,799,926.17
Massachusetts		2,562,250.49	67,399.53	138,815.05	13,577,437.00	736,423.89	15,579.35	2,877,940.94	281,476.57	33,563,391.77	57,318,840.52
Michigan	23,361.31	6,579,445.89	42,000.00	19,732.14	10,168,562.00	5,197,081.14	71,858.46	17,400,012.27		61,570,841.72	85,490,168.79
Minnesota	731.55	717,651.36	5,393.37	2,540.45	6,180,528.00	204,450.12				43,350,893.39	59,290,028.17
Mississippi	54,577.00	638,108.33		9,476.07	5,490,696.00	1,542,154.98	4,671.06	5,827,616.76	143,435.33	35,292,876.21	40,723,536.80
Missouri		1,361,529.12	233,488.33	162,498.88	8,969,728.00	2,000,860.74	265.85	3,002,177.56		53,820,030.61	74,081,908.07
Montana	170,671.10	136,488.39		7,233.43	2,016,962.00	13,912.26		833,734.95	37,080.90	17,474,988.38	22,037,650.76
Nebraska		400,454.31	301,119.53	2,254.85	2,120,383.00	133,171.28	21,459.80	1,146,160.76	118,666.72	42,810,701.14	50,192,035.00
Nevada	6,256.05	1,424,226.40		350.00	190,103.00	1,121,114.78		1,853,778.88		5,063,091.15	7,982,475.67
New Hampshire	7,421.40	176,561.49	55,858.50		993,147.00	398,366.99		148,452.18		3,327,519.85	5,844,210.45
New Jersey		2,507,292.49	459,678.50	148,314.04	10,090,163.00	671,913.25	52,325.33	4,073,137.85	701,215.93	23,693,634.82	33,240,457.44
New Mexico		27,144.84	1,496.15	946.15	1,943,217.00	80,364.59	518.24	1,492,213.48		7,867,385.90	11,633,878.62
New York		2,029,108.32	5,591,143.20	275,574.44	27,949,649.00	1,442,894.37	80,288.84	16,916,035.76	1,998,089.23	87,413,565.28	125,545,978.93

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TABLE 93.—*Expenditures made by the Government as direct payments to States, etc., under cooperative arrangements and expenditures within States which provided relief and other aid, fiscal year 1943*—Continued

PART B.—GRANTS TO AND EXPENDITURES WITHIN STATES, ETC., PROVIDING DIRECT RELIEF, WORK RELIEF, AND OTHER AID, EXCLUSIVE OF LOANS—Continued

States, etc.	Federal Works Agency						National Housing Agency			Total payments within States	Grand total
	Highways		Public Works Administration	Public Buildings Administration [13]	Work Projects Administration	Office of the Administrator—War public works	Home Owners' Loan Corporation—War housing	Federal Public Housing Authority			
	Forest highways	Public Roads Administration [12]						War housing	Annual contributions		
	(32)	(33)	(34)	(35)	(36)	(37)	(38)	(39)	(40)	(41)	(42)
North Carolina		$2,825,789.25		$397,112.13	$5,516,598.00	$2,819,761.38	$61,902.39	$12,804,811.66	$282,894.98	$51,075,659.33	$59,243,499.06
North Dakota		70,216.53		5,111.78	792,333.00	1,238.25				22,291,182.50	26,208,973.85
Ohio		4,662,375.72	$168,167.05	487,578.32	11,299,661.00	2,911,450.21	110,067.57	19,740,808.44		82,008,878.22	116,559,374.12
Oklahoma	$350.00	2,257,600.19		6,052.25	4,776,398.00	1,198,219.00	204,701.30	1,644,951.52		30,947,590.56	47,707,182.30
Oregon	125,479.72	1,339,432.28		1,294.79	1,838,343.00	717,044.15	37,846.12	43,745,548.60		58,095,723.78	65,953,363.06
Pennsylvania	1,425.22	3,813,983.21	507,521.69	174,096.92	21,443,735.00	589,326.27	143,860.71	18,165,664.96	1,089,631.77	73,476,818.15	107,044,424.27
Rhode Island		414,632.05	92,205.72	4,851.52	1,094,845.00	3,150,452.40		507,402.06	20,872.59	6,128,718.64	8,978,487.51
South Carolina		1,922,685.45	1,931,285.21	937.00	5,029,314.00	1,760,051.38	18,581.82	11,896,104.18	118,965.49	34,327,543.74	39,552,222.87
South Dakota		319,107.99			838,763.00	74,146.50	57,659.04	146,284.59		18,566,385.78	22,603,408.74
Tennessee	15.05	1,017,868.02		2,422.10	5,258,005.00	1,821,790.80	5,498.83	2,168,437.48	478,038.56	26,207,636.96	35,391,176.87
Texas	960.00	6,429,967.65	162,670.74	264,154.72	13,857,593.00	10,509,895.15	289,479.06	25,130,796.14	788,457.57	123,914,696.14	158,643,838.76
Utah	15,204.05	1,439,418.97		4,709.67	968,689.00	1,632,214.42	11,468.11	10,891,433.27		20,418,667.67	25,527,592.01
Vermont	4,732.32	284,665.54			416,021.00	39,115.32		1,153,928.04		3,758,193.26	5,617,840.06
Virginia	2,526.45	12,534,026.10		637,650.72	2,397,080.00	14,123,294.30	9,561.65	62,903,177.70	37,688.36	103,623,097.56	109,031,200.89
Washington	16,146.95	1,213,434.08		11,564.77	1,963,035.00	4,854,956.32	143,745.26	87,642,868.07	93,000.00	109,355,222.55	127,576,148.02
West Virginia	24,771.69	2,117,417.87		48,305.97	6,473,238.00	304,293.59		2,582,560.83	181,456.55	23,424,018.13	31,491,968.19
Wisconsin	11,046.00	575,315.70	2,040.95	22,319.65	3,539,087.00	197,860.17	58,909.82	3,678,744.75		28,515,291.35	43,651,998.38
Wyoming		197,654.77		888.69	365,274.00	45,306.49		562,702.76		5,244,749.39	8,747,640.71
Alaska	154,050.80	903,633.59		23,773.86		589,498.12		129,427.82		1,881,170.31	2,481,949.71
Hawaii		601,826.59		780.16	*29,908.00*	413,690.44		67,309.51	25,765.18	10,731,066.97	12,593,471.52
Canal Zone		664,000.00								664,000.00	664,000.00
Puerto Rico		457,272.26	319,726.92		13,741,005.00	890,926.04		60,750.29	55,500.00	30,186,496.24	31,991,226.33
Virgin Islands				1,200.00	379,293.00	431,936.78				1,060,965.49	1,060,965.49
Total	1,339,147.57	106,018,933.30	11,211,210.84	17,049,749.34	282,251,776.00	103,091,036.44	2,324,945.97	603,470,781.96	9,882,882.45	2,128,672,837.77	2,729,651,079.45

NOTE.—This table does not include $74,432.92 paid to States by the Secretary of the Treasury for the purpose of defraying expenses of absentee voting in time of war by members of the armed forces, under the provisions of section 10 of Public Law 712, dated Sept. 16, 1942. For details of payments by States, see page 164 of this report.

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[a] Deduct.

[1] Comprises $22,832.43 under payments to school funds, Arizona and New Mexico; $3,545,134.13 under forest fire cooperation, and $114,729.16 under cooperative farm forestry (distribution of forest planting stock).

[2] Represents payments to States and territories from national forests fund.

[3] Comprises $1,695,374.53 under Wildlife Restoration Act; $25,099.07 under Migratory Bird Act, and $17,250.64 under Alaska Game Law.

[4] Comprises $239,503.21 payment to counties in lieu of taxes on Oregon and California grant lands, 25 per centum fund; $479,006.41 payments to counties, Oregon and California grant lands; $98,623.51 payments to States under Grazing Act of June 28, 1934, public lands, and $4,792.28 payments to States of 5 per centum of proceeds of sales of public lands.

[5] Transferred from Navy Department to Executive Office, Office for Emergency Management, War Shipping Administration, by Executive Order No. 9198, dated July 11, 1942.

[6] In addition to payments to States by Social Security Board of $432,103,551.60, there is also included $10,572,671.87 for Public Health Service, aggregating $442,676,223.47. Of the $432,103,551.60 payments by Social Security Board, $36,480,498.23 represents grants for administration of unemployment compensation as provided under Title III of Social Security Act.

[7] Comprises $61,527,313.69 for Federal-aid highway system (regular); $6,603,777.38 for Federal-aid secondary or feeder roads (regular), and $172,814.19 for restoration of roads and bridges and flood relief (regular).

[8] Excludes war housing activities (stated separately) and rural rehabilitation loans of $99,822,972.91; farm tenancy loans of $28,528,213.46; water facilities loans of $37,522.44, and $330,510.81 from emergency funds for the President for loans incidental to evacuation of enemy aliens.

[9] Expenditures in Puerto Rico were made from the account "Emergency Relief, Interior, Puerto Rico Reconstruction Administration." Expenditures in Virgin Islands were from the account "Defraying Deficits in Treasuries of the Municipal Government, Virgin Islands, 1943."

[10] District of Columbia includes $72,038.95 reported as "undistributed."

[11] National Youth Administration was transferred from Federal Security Agency by Executive Order No. 9247, dated Sept. 17, 1942.

[12] Comprises $13,630,204.37 for elimination of grade crossings (regular); $243,045.92 for highways and $1,244,218.12 for elimination of grade crossings (emergency relief funds); $74,335.26 National Industrial Recovery Act funds, and $216,444.08 for public lands highways. Also includes $90,610,685.55 for access roads, flight strips, strategic highway network and surveys and plans classified as war activities.

[13] Comprises $13,371,625.08 for sites and construction (regular); $333,645.74 for sites and construction and major alterations (emergency funds), and $3,344,478.52 for sites and construction and major alterations (emergency funds for the President).

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TABLE 94.—*Number and amount of awards of the Mixed Claims Commission, United States and Germany, certified to the Secretary of the Treasury by the Secretary of State and the amount paid and balance due, by classes, as of September 30, 1943*

Awards certified	Total number of awards	Total amount	Class I		Class II		Class III		Private Law No. 509, approved July 19, 1940		United States Government	
			Number of awards	Awards on account of death and personal injury	Number of awards	Awards of $100,000 and less	Number of awards	Other awards over $100,000	Number of awards	Amount	Number of awards	Amount
1. Amount due on account:												
Principal of awards:												
Agreement of Aug. 10, 1922	4,734	$175,955,880.92	424	$3,549,437.75	3,996	$15,562,321.98	310	$114,809,326.78			4	$42,034,794.41
Agreement of Dec. 31, 1928	2,291	5,582,354.38	115	556,625.00	2,169	2,447,803.92	7	2,577,925.46				
Private Law No. 509, approved July 19, 1940	[6] 1	160,000.00							1	$160,000.00		
		181,698,235.30		4,106,062.75		18,010,125.90		117,387,252.24		160,000.00		42,034,794.41
Less amounts paid by Alien Property Custodian and others		187,226.85				48,012.50		139,214.35				
		181,511,008.45		4,106,062.75		17,962,113.40		117,248,037.89		160,000.00		42,034,794.41
Interest to Jan. 1, 1928, at rates specified in awards:												
Agreement of Aug. 10, 1922		78,751,456.32		745,302.98		7,113,930.76		51,682,897.36				19,209,325.22
Agreement of Dec. 31, 1928		2,649,630.04		115,976.22		971,159.15		1,562,494.67				
Private Law No. 509		64,000.00								64,000.00		
Total payable to Jan. 1, 1928		262,976,094.81		4,967,341.95		26,047,203.31		170,493,429.92		224,000.00		61,244,119.63
Interest thereon to date of payment, or if unpaid Sept. 30, 1943, at 5% per annum as specified in the Settlement of War Claims Act of 1928		107,817,866.18		236,195.75		2,061,575.65		57,153,620.11		151,412.27		48,215,062.40
Total due claimants	7,026	370,793,960.99	539	5,203,537.70	6,165	28,108,778.95	317	227,647,050.03	1	375,412.27	4	109,459,182.03
2. Payments made on account to Sept. 30, 1943:												
Principal of awards:												
Agreement of Aug. 10, 1922	[1] 4,406	146,095,377.87	424	3,549,437.75	3,982	15,494,658.79		[1] 127,051,281.33				
Agreement of Dec. 31, 1928	[1] 2,264	6,140,989.78	115	556,625.00	2,149	2,445,886.69		3,138,478.09				
Private Law No. 509		165,053.06								165,053.06		

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Interest to Jan. 1, 1928, at rates specified in awards:												
Agreement of Aug. 10, 1922		7,851,113.28		745,302.98		7,105,810.30		(2)				
Agreement of Dec. 31, 1928		1,086,361.01		115,976.22		970,384.79		(2)				
Private Law No. 509										(2)		
Interest at 5% per annum from Jan. 1, 1928, to date of payment as directed by the Settlement of War Claims Act of 1928		2,278,521.14		236,195.75		2,042,325.39		(2)		(2)		
Total payment to Sept. 30, 1943		163,617,416.14		5,203,537.70		28,059,065.96		130,189,759.42		165,053.06		
Less one-half of 1% deduction from each payment:												
Agreement of Aug. 10, 1922		[3] 778,645.26		22,249.66		121,138.61		635,256.99				
Agreement of Dec. 31, 1928		[4] 38,617.04		3,767.97		19,156.68		15,692.39				
Private Law No. 509		[5] 825.26								825.26		
Net payment made to claimants to Sept. 30, 1943	6,670	162,799,328.58	539	5,177,520.07	6,131	27,918,770.67		129,538,810.04		164,227.80		
3. Balance due on account:												
Principal of awards:												
Agreement of Aug. 10, 1922	328	100,565,498.78			14	19,650.69	310	39,301,728.46			4	61,244,119.63
Agreement of Dec. 31, 1928	27	1,003,859.27			20	1,917.23	7	1,001,942.04				
Private Law No. 509	1	58,946.94							1	58,946.94		
Interest to Jan. 1, 1928, at rates specified in awards:												
Agreement of Aug. 10, 1922		8,120.46				8,120.46						
Agreement of Dec. 31, 1928		774.36				774.36						
Private Law No. 509												
Accrued interest at 5% per annum from Jan. 1, 1928, on total amount payable as of Jan. 1, 1928, to Sept. 30, 1943		105,539,345.04				[6] 19,250.26		57,153,620.11		151,412.27		48,215,062.40
Balance due claimants as of Sept. 30, 1943	356	207,176,544.85			34	49,713.00	317	97,457,290.61	1	210,359.21	4	109,459,182.03

[1] Includes payments on account of interest to Jan. 1, 1928, on class III awards and Private Law No. 509. Payments on this class of awards are first applied on account of the total amount payable as of Jan. 1, 1928, as directed by the Settlement of War Claims Act of 1928 until total of all payments on the three classes equals 80 percent of the amount payable Jan. 1, 1928. Payment of accrued interest since Jan. 1, 1928, on this class of claims deferred in accordance with act.

[2] See note 1.

[3] Of this amount $769,438.12 has been covered into the Treasury as miscellaneous receipts. A further sum of $9,207.14 will be covered into the Treasury at a later date.

[4] Of this amount $24,150.09 has been paid to the Government of Germany. A further sum of $14,466.95 is payable in connection with the adjudication of late claims under the agreement of Dec. 31, 1928.

[5] Of this amount $795.35 has been covered into the Treasury as miscellaneous receipts. A further sum of $29.91 will be covered into the Treasury at a later date.

[6] Includes $16,218.78 interest accrued from Jan. 1, 1928, to Mar. 11, 1940, on $26,612.06 representing awards plus interest to Jan. 1, 1928. No applications filed by claimants. Time for filing applications expired Mar. 1, 1940.

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TABLE 95.—*Transactions in commodity stamps, fiscal years 1939 through 1943 and monthly from July 1942 through June 1943* [1]

Period	Stamps issued [2]						Stamps redeemed [3]	Amount outstanding
	For food		For cotton products		For cotton surpluses—gratuities	Total issued		
	Sales	Gratuities	Sales	Gratuities				
By fiscal years:								
1939	$246,886	$150,443				$397,329	$256,935	$140,394
1940	25,551,743	18,758,117	$83,000	$119,500		44,512,360	36,553,490	8,099,264
1941	152,889,279	88,859,003	2,191,200	2,515,500	$5,206,763	251,661,744	219,387,287	40,373,721
1942	201,849,463	110,628,094	2,903,974	3,148,088	12,800,221	331,329,840	336,464,901	35,238,659
1943	80,195,218	42,286,463	−20,245	−28,432	−97,252	122,335,752	154,780,454	2,793,958
Total 1939 through 1943	460,732,589	260,682,119	5,157,929	5,754,656	17,909,732	750,237,025	747,443,067	2,793,958
By months:								
1942—July	14,277,779	7,665,530	−17,547	−25,232	−40,417	21,860,113	22,358,287	34,740,486
August	12,775,181	6,820,616	−1,007	−1,007	−221	19,593,563	20,652,226	33,681,823
September	12,567,125	6,747,440			−27,088	19,287,477	19,750,594	33,218,706
October	11,918,622	6,434,311			−16,754	18,336,179	19,555,732	31,999,152
November	9,730,209	5,237,458			−1,527	14,966,140	13,796,522	33,168,770
December	10,307,961	5,492,268			−111	15,800,118	17,425,564	31,543,324
1943—January	7,689,059	4,098,793			−6,256	11,781,596	15,795,763	27,529,157
February	2,979,835	1,469,475				4,449,310	13,015,277	18,963,189
March	−1,129,850	−670,272	−1,691	−2,193	−4,877	−1,808,883	8,365,889	8,788,418
April	−586,635	−678,818			−6	−1,265,459	3,228,535	4,294,424
May	−317,320	−292,154			−2	−609,475	551,356	3,133,594
June	−16,748	−38,182			5	−54,926	284,711	2,793,958

NOTE.—Figures are rounded to nearest dollar and will not necessarily add to totals.

[1] For details as to operation of this program see annual report for 1941, pp. 97 and 98.
[2] Includes stamps issued for investigations.
[3] Includes stamps canceled but not redeemed.

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OWNERSHIP OF GOVERNMENT SECURITIES

TABLE 96.—*Summary data from Treasury survey of the ownership of securities issued or guaranteed by the United States, analyzing the ownership of such securities by classes of holders of each issue outstanding on quarterly dates from March 31, 1941, through June 30, 1943*

PART A. PUBLIC MARKETABLE INTEREST-BEARING SECURITIES.[1] PAR VALUES IN MILLIONS OF DOLLARS

Issue, classified by tax-exemption provision	1941				1942				1943	
	Mar. 31	June 30	Sept. 30	Dec. 31	Mar. 31	June 30	Sept. 30	Dec. 31	Mar. 31	June 30
	I. Held by commercial banks									
Number of institutions	5,638	5,829	5,800	5,793	5,785	5,780	5,764	5,751	5,739	5,785
1. Wholly exempt from Federal income taxes:[2]										
Treasury bills	161									
Treasury notes:										
1⅜% June 1941	10									
1¼% December 1941	66	71	67							
1¾% March 1942	182	195	195	194						
2% September 1942	78	82	85	94	95	96				
1¼% December 1942	74	79	80	77	78	80	90			
1⅛% June 1943	285	286	284	290	277	257	196	171	265	
1% September 1943	185	187	186	186	180	167	136	122	111	106
1⅛% December 1943	140	150	151	145	137	137	108	79	120	107
1% March 1944	273	275	276	276	270	268	256	243	214	181
¾% June 1944	243	244	232	235	226	220	211	196	170	124
1% September 1944	41	34	29	31	49	38	39	34	45	34
¾% March 1945	442	448	440	423	373	324	332	269	242	209
Total Treasury notes	2,020	2,050	2,027	1,951	1,686	1,587	1,369	1,113	1,167	762
Bonds:										
Postal savings	15	13	12	11	11	11	11	11	11	11
Panama Canal	1	1	1	1	1	(*)	(*)	1	1	1
Conversion	(*)	(*)	(*)	1	(*)	(*)	(*)	(*)	(*)	(*)
Total bonds	16	14	13	12	12	12	12	12	12	12
Total wholly exempt from Federal income taxes	2,196	2,063	2,040	1,964	1,698	1,599	1,381	1,125	1,178	774
2. Partially exempt from Federal income taxes:[3]										
Treasury bonds:										
3¼% August 1941	381	3								
3⅜% June 1943–47	134	140	146	141	137	144	161	154	171	
3¼% October 1943–45	516	507	507	514	524	542	552	515	593	590
3¼% April 1944–46	573	574	582	590	585	609	599	580	570	531
4% December 1944–54	351	357	358	367	378	386	433	444	420	434
2¾% September 1945–47	464	481	481	495	510	527	523	501	508	520
2½% December 1945	288	286	285	294	299	304	302	307	347	348
3¾% March 1946–56	140	144	153	165	169	179	191	185	185	194
3% June 1946–48	328	341	359	368	379	403	411	396	412	418
3⅛% June 1946–49	229	239	255	270	284	291	302	289	304	317
4¼% October 1947–52	137	156	167	185	218	225	222	232	245	271
2% December 1947	445	468	461	471	483	486	512	508	548	560
2¾% March 1948–51	506	518	530	552	589	619	625	630	676	722
2½% September 1948	252	259	252	263	273	275	282	283	352	349
2% December 1948–50	352	366	379	377	384	398	400	414	429	438
3⅛% December 1949–52	128	153	151	164	170	177	208	209	224	261
2½% December 1949–53	711	741	792	804	847	870	904	963	1,100	1,147
2½% September 1950–52	488	520	511	549	582	607	634	651	707	726
2¾% June 1951–54	433	477	509	560	565	584	625	660	807	876
3% September 1951–55	110	111	113	120	139	145	172	180	206	245
2¼% December 1951–53	608	648	662	675	698	712	727	741	786	803
2% June 1953–55	530	531	557	588	585	582	591	583	600	610
2¼% June 1954–56	322	354	360	356	370	381	388	399	431	430
2⅛% March 1955–60	298	345	362	392	421	441	467	471	630	711
2¾% September 1956–59	228	245	257	274	279	283	302	320	387	403
2¾% June 1958–63	195	207	215	213	214	213	208	237	269	312
2¾% December 1960–65	330	359	348	352	369	375	382	355	461	550
Total Treasury bonds	9,477	9,529	9,748	10,097	10,453	10,760	11,124	11,206	12,370	12,767

Footnotes at end of table.

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TABLE 96.—*Summary data from Treasury survey of the ownership of securities issued or guaranteed by the United States, analyzing the ownership of such securities by classes of holders of each issue outstanding on quarterly dates from March 31, 1941, through June 30, 1943*—Continued

PART A. PUBLIC MARKETABLE INTEREST-BEARING SECURITIES.[1] PAR VALUES IN MILLIONS OF DOLLARS—Continued

Issue, classified by tax-exemption provision	1941				1942				1943	
	Mar. 31	June 30	Sept. 30	Dec. 31	Mar. 31	June 30	Sept. 30	Dec. 31	Mar. 31	June 30
	I. Held by commercial banks—Continued									
2. Partially exempt from Federal income taxes[2]—Continued.										
Guaranteed issues: [4]										
Commodity Credit Corporation:										
⅝% August 1941	141	134	----	----	----	----	----	----	----	----
1% November 1941	164	168	176	----	----	----	----	----	----	----
¾% May 1943	241	239	242	240	240	245	236	237	234	----
Federal Farm Mortgage Corporation:										
3% January 1942–47	91	93	93	92	----	----	----	----	----	----
2¾% March 1942–47	57	60	58	59	----	----	----	----	----	----
3¼% March 1944–64	16	18	20	20	19	21	21	22	21	26
3% May 1944–49	316	322	334	353	361	361	393	404	443	474
Federal Housing Administration debentures	----	2	5	6	3	6	7	7	7	6
Home Owners' Loan Corporation:										
⅝% May 1941	129	----	----	----	----	----	----	----	----	----
2¼% July 1942–44	692	686	673	677	655	17	----	----	----	----
3% May 1944–52	193	209	227	241	250	249	262	286	313	419
1½% June 1945–47	574	589	597	603	605	625	633	636	636	608
Reconstruction Finance Corporation:										
⅞% July 1941	178	170	----	----	----	----	----	----	----	----
⅞% November 1941	215	209	229	----	----	----	----	----	----	----
⅞% January 1942	258	244	256	253	----	----	----	----	----	----
1% July 1942	208	212	220	216	216	----	----	----	----	----
Federal Public Housing Authority: [5]										
¼% November 1941	95	94	92	----	----	----	----	----	----	----
1⅜% February 1944	94	93	94	90	93	92	92	97	94	90
Total guaranteed issues	3,661	3,542	3,315	2,850	2,440	1,617	1,644	1,689	1,748	1,623
Total partially exempt from Federal income taxes	13,138	13,071	13,064	12,947	12,893	12,376	12,768	12,895	14,118	14,390
3. Subject to Federal income taxes:										
Treasury bills	405	1,112	788	1,037	710	1,557	2,884	4,497	5,069	6,502
Certificates of indebtedness:										
½% November 1942	----	----	----	----	----	839	679	----	----	----
⅝% February 1943	----	----	----	----	----	1,131	1,066	893	----	----
0.65% May 1943	----	----	----	----	----	----	1,080	1,012	838	----
⅞% August 1943	----	----	----	----	----	----	1,153	1,072	1,022	1,003
⅞% November 1943	----	----	----	----	----	----	----	1,345	1,334	1,278
⅞% December 1943	----	----	----	----	----	----	----	2,149	2,336	2,426
⅞% February 1944	----	----	----	----	----	----	----	----	1,316	1,530
⅞% April 1944	----	----	----	----	----	----	----	----	----	2,285
⅞% May 1944	----	----	----	----	----	----	----	----	----	1,302
Total certificates of indebtedness	----	----	----	----	----	1,971	3,978	6,470	6,845	9,823
Treasury notes:										
¾% March 1943	14	12	13	13	12	11	11	12	----	----
¾% September 1944	461	465	466	468	463	469	467	471	455	453
1¼% March 1945	----	----	----	----	----	----	1,049	1,047	1,088	1,112
¾% December 1945	381	404	410	408	393	417	399	403	404	400
1% March 1946	----	----	----	406	386	360	368	365	376	385
1½% December 1946	----	----	----	----	----	880	842	2,259	2,360	2,387
Total Treasury notes	856	881	888	1,295	1,254	2,138	3,137	4,557	4,683	4,738

Footnotes at end of table.

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TABLE 96.—*Summary data from Treasury survey of the ownership of securities issued or guaranteed by the United States, analyzing the ownership of such securities by classes of holders of each issue outstanding on quarterly dates from March 31, 1941, through June 30, 1943*—Continued

PART A. PUBLIC MARKETABLE INTEREST-BEARING SECURITIES.[1] PAR VALUES IN MILLIONS OF DOLLARS—Continued

Issue, classified by tax-exemption provision	1941				1942				1943	
	Mar. 31	June 30	Sept. 30	Dec. 31	Mar. 31	June 30	Sept. 30	Dec. 31	Mar. 31	June 30
	I. Held by commercial banks—Continued									
3. Subject to Federal income taxes—Continued.										
Treasury bonds:										
2% March 1948–50	602	555	532	515	538	523	534	493	478	522
1¼% June 1948	-----	-----	-----	-----	-----	-----	-----	2,005	2,134	2,155
2% June 1949–51	-----	-----	-----	-----	581	594	606	599	538	615
2% September 1949–51	-----	-----	-----	-----	-----	843	845	811	810	851
2% December 1949–51	-----	-----	-----	-----	-----	-----	1,295	1,206	1,171	1,336
2% March 1950–52	-----	-----	-----	-----	-----	-----	-----	1,135	1,192	1,425
2% September 1950–52	-----	-----	-----	-----	-----	-----	-----	-----	-----	2,274
2% December 1951–55	-----	-----	-----	293	285	304	307	281	341	335
2½% March 1952–54	399	294	274	257	240	236	232	212	239	253
2¼% June 1952–55	-----	-----	-----	-----	702	640	580	560	595	616
2½% March 1956–58	-----	473	321	295	272	257	247	241	228	242
2½% June 1962–67	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----
2½% December 1963–68	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----
2½% June 1964–69	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----
2½% September 1967–72	-----	-----	-----	717	699	670	663	694	733	835
Total Treasury bonds	1,001	1,322	1,127	2,077	3,317	4,069	5,309	8,239	8,459	11,459
Guaranteed issues:[4]										
Commodity Credit Corporation:										
1⅛% February 1945	-----	-----	292	288	290	294	289	294	301	306
Reconstruction Finance Corporation:										
⅞% October 1942	-----	252	259	258	249	240	269	-----	-----	-----
1⅛% July 1943	-----	248	260	260	249	259	258	256	246	252
1% April 1944	-----	-----	455	463	461	437	432	426	417	420
1% January 1945	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----
Total guaranteed issues	-----	500	1,266	1,269	1,249	1,230	1,249	976	964	979
Total subject to Federal income taxes	2,262	3,808	4,070	5,679	6,530	10,964	16,558	24,739	26,021	33,501
4. Total public marketable interest-bearing securities	17,596	18,943	19,174	20,589	21,122	24,939	30,707	38,759	41,317	48,665
	II. Held by mutual savings banks									
Number of institutions	487	493	493	492	492	492	490	490	490	490
1. Wholly exempt from Federal income taxes:[2]										
Treasury bills	28	-----	-----	-----	-----	-----	-----	-----	-----	-----
Treasury notes:										
1⅜% June 1941	1	-----	-----	-----	-----	-----	-----	-----	-----	-----
1¼% December 1941	6	7	7	-----	-----	-----	-----	-----	-----	-----
1¾% March 1942	24	26	28	28	-----	-----	-----	-----	-----	-----
2% September 1942	16	16	17	14	14	15	-----	-----	-----	-----
1¼% December 1942	9	10	10	10	10	10	10	-----	-----	-----
1⅛% June 1943	22	17	17	19	12	12	9	7	7	-----
1% September 1943	8	7	7	6	6	3	3	2	2	2
1⅛% December 1943	12	11	11	7	6	6	4	3	3	2
1% March 1944	10	9	8	8	7	5	5	3	3	2
¾% June 1944	8	7	7	5	2	2	1	1	1	1
1% September 1944	2	2	4	1	4	1	1	1	1	1
¾% March 1945	14	3	4	2	2	2	2	3	3	4
Total Treasury notes	131	114	120	100	65	56	35	20	20	11
Bonds:										
Postal savings	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)
Panama Canal	-----	(*)	-----	-----	-----	-----	-----	-----	-----	-----
Conversion	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----
Total bonds	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)
Total wholly exempt from Federal income taxes	159	114	121	100	65	56	35	21	20	11

Footnotes at end of table.

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TABLE 96.—*Summary data from Treasury survey of the ownership of securities issued or guaranteed by the United States, analyzing the ownership of such securities by classes of holders of each issue outstanding on quarterly dates from March 31, 1941, through June 30, 1943*—Continued

PART A. PUBLIC MARKETABLE INTEREST-BEARING SECURITIES.[1] PAR VALUES IN MILLIONS OF DOLLARS—Continued

Issue, classified by tax-exemption provision	1941				1942				1943	
	Mar. 31	June 30	Sept. 30	Dec. 31	Mar. 31	June 30	Sept. 30	Dec. 31	Mar. 31	June 30
	II. Held by mutual savings banks—Continued									
2. Partially exempt from Federal income taxes:[3]										
Treasury bonds:										
3¼% August 1941	79	2								
3⅜% June 1943–47	54	55	57	58	59	54	49	41	28	
3¼% October 1943–45	71	73	81	81	76	73	70	57	54	42
3¼% April 1944–46	82	82	81	78	77	72	70	63	55	47
4% December 1944–54	72	71	75	75	70	65	62	56	54	44
2¾% September 1945–47	87	86	86	80	73	65	62	57	55	50
2½% December 1945	33	40	32	32	26	25	23	22	18	16
3¾% March 1946–56	54	53	51	48	37	32	29	27	26	20
3% June 1946–48	100	94	90	85	82	67	64	57	54	50
3⅛% June 1946–49	93	89	85	78	71	62	55	51	49	37
4¼% October 1947–52	97	81	82	89	61	59	57	53	46	40
2% December 1947	29	22	25	25	19	16	18	13	12	10
2¾% March 1948–51	149	142	131	128	104	80	74	63	57	44
2½% September 1948	27	24	22	23	20	14	11	10	9	7
2% December 1948–50	22	13	15	8	9	6	6	11	20	9
3⅛% December 1949–52	85	77	82	74	69	61	49	46	35	29
2½% December 1949–53	189	166	157	150	115	107	101	72	60	47
2½% September 1950–52	164	150	142	133	110	97	88	69	61	62
2¾% June 1951–54	245	202	202	161	154	142	136	114	107	80
3% September 1951–55	87	87	89	87	79	68	63	54	54	32
2¼% December 1951–53	94	56	71	65	52	37	31	27	27	20
2% June 1953–55	32	23	26	19	18	15	13	11	10	10
2¼% June 1954–56	59	32	41	35	24	19	17	11	10	10
2¼% March 1955–60	192	165	160	142	127	125	126	117	112	85
2¾% September 1956–59	78	65	68	61	41	42	43	41	36	34
2¾% June 1958–63	59	56	48	44	41	40	40	43	53	37
2¾% December 1960–65	79	70	49	39	33	36	36	38	60	77
Total Treasury bonds	2,412	2,074	2,048	1,900	1,646	1,478	1,393	1,222	1,164	939
Guaranteed issues:[4]										
Commodity Credit Corporation:										
⅝% August 1941	6	4								
1% November 1941	2	2	2							
¾% May 1943	3	3	3	2	2	2	2	1	1	
Federal Farm Mortgage Corporation:										
3% January 1942–47	13	11	11	5						
2¾% March 1942–47	10	9	9	8						
3¼% March 1944–64	10	10	10	11	12	12	12	14	14	11
3% May 1944–49	36	30	31	28	25	24	24	22	22	13
Federal Housing Administration debentures		(*)	1	1	1	1	1	1	1	1
Home Owners' Loan Corporation:										
⅝% May 1941	3									
2¼% July 1942–44	28	25	32	28	30	1				
3% May 1944–52	74	65	54	50	44	43	38	33	32	26
1½% June 1945–47	28	24	20	17	15	12	11	7	7	7
Reconstruction Finance Corporation:										
⅞% July 1941	6	6								
⅞% November 1941	2	2	2							
⅞% January 1942	8	7	9	7						
1% July 1942	6	5	5	5	5					
Federal Public Housing Authority:[5]										
¼% November 1941	1	1	1							
1⅜% February 1944	2	2	2	2	2	2	2	(*)	(*)	(*)
Total guaranteed issues	238	207	189	166	135	96	89	78	77	57
Total partially exempt from Federal income taxes	2,650	2,282	2,237	2,067	1,782	1,574	1,483	1,301	1,241	996

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TABLE 96.—*Summary data from Treasury survey of the ownership of securities issued or guaranteed by the United States, analyzing the ownership of such securities by classes of holders of each issue outstanding on quarterly dates from March 31, 1941, through June 30, 1943*—Continued

PART A. PUBLIC MARKETABLE INTEREST-BEARING SECURITIES.[1] PAR VALUES IN MILLIONS OF DOLLARS—Continued

Issue, classified by tax-exemption provision	1941				1942				1943	
	Mar. 31	June 30	Sept. 30	Dec. 31	Mar. 31	June 30	Sept. 30	Dec. 31	Mar. 31	June 30
	II. Held by mutual savings banks—Continued									
3. Subject to Federal income taxes:										
Treasury bills	17	23	41	34	17	28	17	10	65	21
Certificates of indebtedness:										
½% November 1942	----	----	----	----	----	38	36	----	----	----
⅝% February 1943	----	----	----	----	----	36	18	12	----	----
0.65% May 1943	----	----	----	----	----	----	14	12	8	----
⅞% August 1943	----	----	----	----	----	----	24	21	11	7
⅞% November 1943	----	----	----	----	----	----	----	33	31	13
⅞% December 1943	----	----	----	----	----	----	----	51	57	21
⅞% February 1944	----	----	----	----	----	----	----	----	76	34
⅞% April 1944	----	----	----	----	----	----	----	----	----	100
⅞% May 1944	----	----	----	----	----	----	----	----	----	9
Total certificates of indebtedness	----	----	----	----	----	74	92	129	183	184
Treasury notes:										
¾% March 1943	1	2	2	2	2	2	2	2	----	----
¾% September 1944	42	46	33	31	19	21	22	17	17	15
1¼% March 1945	----	----	----	----	----	----	51	29	28	29
¾% December 1945	39	28	24	21	22	18	18	14	13	9
1% March 1946	----	----	----	12	13	15	14	14	18	15
1½% December 1946	----	----	----	----	----	26	39	71	85	76
Total Treasury notes	82	77	60	67	57	82	147	147	162	144
Treasury bonds:										
2% March 1948–50	153	193	216	200	165	171	166	158	148	152
1¾% June 1948	----	----	----	----	----	----	----	83	95	83
2% June 1949–51	----	----	----	----	116	128	118	98	99	122
2% September 1949–51	----	----	----	----	----	141	163	139	144	130
2% December 1949–51	----	----	----	----	----	----	169	161	169	150
2% March 1950–52	----	----	----	----	----	----	----	130	127	104
2% September 1950–52	----	----	----	----	----	----	----	----	----	422
2% December 1951–55	----	----	----	64	27	40	38	35	22	19
2½% March 1952–54	233	309	307	297	306	297	317	313	322	329
2¼% June 1952–55	----	----	----	----	257	361	373	351	336	322
2½% March 1956–58	----	319	347	356	395	390	399	351	324	316
2½% June 1962–67	----	----	----	----	----	65	199	180	187	194
2½% December 1963–68	----	----	----	----	----	----	----	486	510	504
2½% June 1964–69	----	----	----	----	----	----	----	----	----	614
2½% September 1967–72	----	----	----	379	368	371	356	348	331	324
Total Treasury bonds	386	821	870	1,296	1,634	1,964	2,299	2,833	2,815	3,786
Guaranteed issues:[4]										
Commodity Credit Corporation:										
1⅛% February 1945	----	----	25	22	20	20	14	13	11	8
Reconstruction Finance Corporation:										
⅞% October 1942	----	11	10	10	10	8	7	----	----	----
1⅛% July 1943	----	14	14	17	22	9	8	7	5	3
1% April 1944	----	----	34	28	27	15	14	10	9	7
1% January 1945	----	----	----	----	----	----	----	----	----	----
Total guaranteed issues	----	25	83	77	79	52	42	30	25	19
Total subject to Federal income taxes	486	946	1,054	1,474	1,787	2,199	2,597	3,150	3,250	4,154
4. Total public marketable interest-bearing securities	3,295	3,342	3,412	3,641	3,634	3,830	4,114	4,471	4,511	5,161

Footnotes at end of table.

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TABLE 96.—*Summary data from Treasury survey of the ownership of securities issued or guaranteed by the United States, analyzing the ownership of such securities by classes of holders of each issue outstanding on quarterly dates from March 31, 1941, through June 30, 1943*—Continued

PART A. PUBLIC MARKETABLE INTEREST-BEARING SECURITIES.[1] PAR VALUES IN MILLIONS OF DOLLARS—Continued

Issue, classified by tax-exemption provision	1941				1942				1943	
	Mar. 31	June 30	Sept. 30	Dec. 31	Mar. 31	June 30	Sept. 30	Dec. 31	Mar. 31	June 30
	III. Held by life insurance companies									
Number of institutions	201	201	198	198	198	198	200	200	199	199
1. Wholly exempt from Federal income taxes:[2]										
Treasury bills	1									
Treasury notes:										
1⅜% June 1941	(*)									
1¼% December 1941	10	11	10							
1¾% March 1942	16	17	14	10						
2% September 1942	24	24	24	22	21	21				
1¾% December 1942	8	7	6	5	6	4	3			
1½% June 1943	4	4	4	4	3	3	3	3	3	
1% September 1943	3	3	3	3	3	3	3	3	3	(*)
1⅛% December 1943	30	30	28	28	28	30	26	21	21	21
1% March 1944	2	2	2	2	2	2	2	(*)	(*)	(*)
¾% June 1944	4	3	3	3	2	2	2	2	2	2
1% September 1944	(*)	(*)	(*)	(*)			(*)			
¾% March 1945	22	20	20	20	20	20	19	(*)	(*)	(*)
Total Treasury notes	124	122	113	95	85	85	59	30	30	24
Bonds:										
Postal savings	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)
Panama Canal	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)
Conversion										
Total bonds	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)
Total wholly exempt from Federal income taxes	126	123	113	95	85	85	59	30	30	24
2. Partially exempt from Federal income taxes:[3]										
Treasury bonds:										
3¼% August 1941	109	(*)								
3⅜% June 1943–47	49	45	43	50	50	49	49	10	9	
3¼% October 1943–45	140	137	136	145	144	133	117	110	103	56
3¼% April 1944–46	196	194	193	190	203	192	189	167	163	161
4% December 1944–54	158	158	155	155	154	154	113	111	108	101
2¾% September 1945–47	187	187	185	183	183	184	183	172	172	170
2½% December 1945	66	66	64	61	61	61	60	29	29	28
3¾% March 1946–56	100	100	97	92	92	92	92	92	90	87
3% June 1946–48	168	168	160	157	157	156	156	153	146	141
3⅛% June 1946–49	132	132	126	116	117	117	116	116	112	108
4¼% October 1947–52	116	116	110	82	83	82	81	77	75	73
2% December 1947	53	53	52	52	52	53	48	46	6	5
2¾% March 1948–51	208	210	208	208	207	209	203	202	152	146
2½% September 1948	67	66	67	67	66	66	64	64	25	25
2% December 1948–50	48	45	43	43	44	40	39	28	7	6
3⅛% December 1949–52	142	126	124	121	121	122	118	106	98	64
2½% December 1949–53	219	218	219	219	218	205	199	129	57	46
2½% September 1950–52	184	179	176	175	175	173	151	137	116	94
2¾% June 1951–54	430	428	427	416	417	417	376	364	254	247
3% September 1951–55	74	76	75	75	76	76	73	63	63	57
2¼% December 1951–53	52	58	57	55	55	56	49	28	27	24
2% June 1953–55	17	16	15	15	14	14	12	2	2	2
2¼% June 1954–56	109	108	106	105	105	107	105	91	69	64
2½% March 1955–60	483	484	486	487	487	491	478	470	373	339
2¾% September 1956–59	246	245	245	242	242	227	220	194	170	164
2¾% June 1958–63	369	368	372	380	381	387	385	355	310	275
2¾% December 1960–65	537	539	576	593	590	594	589	583	401	319
Total Treasury bonds	4,660	4,523	4,517	4,484	4,493	4,457	4,268	3,898	3,137	2,801

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TABLE 96.—*Summary data from Treasury survey of the ownership of securities issued or guaranteed by the United States, analyzing the ownership of such securities by classes of holders of each issue outstanding on quarterly dates from March 31, 1941, through June 30, 1943*—Continued

PART A. PUBLIC MARKETABLE INTEREST-BEARING SECURITIES.[1] PAR VALUES IN MILLIONS OF DOLLARS—Continued

Issue, classified by tax-exemption provision	1941				1942				1943	
	Mar. 31	June 30	Sept. 30	Dec. 31	Mar. 31	June 30	Sept. 30	Dec. 31	Mar. 31	June 30
	III. Held by life insurance companies—Continued									
2. Partially exempt from Federal income taxes[3]—Continued.										
Guaranteed issues:[4]										
Commodity Credit Corporation:										
⅝% August 1941	20	20	----	----	----	----	----	----	----	----
1% November 1941	4	4	3	----	----	----	----	----	----	----
¾% May 1943	4	4	4	4	4	4	4	2	2	----
Federal Farm Mortgage Corporation:										
3% January 1942–47	49	49	49	47	----	----	----	----	----	----
2¾% March 1942–47	17	17	17	17	----	----	----	----	----	----
3¼% March 1944–64	31	31	30	30	30	30	27	27	27	26
3% May 1944–49	150	150	144	139	139	139	107	106	105	98
Federal Housing Administration debentures	----	8	9	12	12	12	12	12	13	14
Home Owners' Loan Corporation:										
⅝% May 1941	20	----	----	----	----	----	----	----	----	----
2¼% July 1942–44	12	11	10	10	10	(*)	----	----	----	----
3% May 1944–52	85	86	85	85	85	85	67	67	66	62
1½% June 1945–47	43	43	42	42	42	42	39	38	37	37
Reconstruction Finance Corporation:										
⅞% July 1941	1	1	----	----	----	----	----	----	----	----
⅞% November 1941	27	28	26	----	----	----	----	----	----	----
⅞% January 1942	11	11	10	9	----	----	----	----	----	----
1% July 1942	9	9	8	9	8	----	----	----	----	----
Federal Public Housing Authority:[5]										
¼% November 1941	1	1	1	----	----	----	----	----	----	----
1⅜% February 1944	2	2	2	2	2	2	2	(*)	(*)	(*)
Total guaranteed issues	486	473	442	407	332	314	258	252	250	238
Total partially exempt from Federal income taxes	5,146	4,995	4,959	4,892	4,824	4,771	4,523	4,150	3,389	3,039
3. Subject to Federal income taxes:										
Treasury bills	----	(*)	(*)	177	18	53	95	13	139	145
Certificates of indebtedness:										
½% November 1942	----	----	----	----	----	99	94	----	----	----
⅞% February 1943	----	----	----	----	----	41	15	17	----	----
0.65% May 1943	----	----	----	----	----	----	48	3	3	----
⅞% August 1943	----	----	----	----	----	----	29	2	2	1
⅞% November 1943	----	----	----	----	----	----	----	8	19	5
⅞% December 1943	----	----	----	----	----	----	----	10	21	3
⅞% February 1944	----	----	----	----	----	----	----	----	56	16
⅞% April 1944	----	----	----	----	----	----	----	----	----	83
⅞% May 1944	----	----	----	----	----	----	----	----	----	4
Total certificates of indebtedness	----	----	----	----	----	140	185	39	101	111
Treasury notes:										
¾% March 1943	2	2	2	2	2	2	(*)	(*)	----	----
¾% September 1944	25	24	26	25	22	22	21	23	23	22
1¼% March 1945	----	----	----	----	----	----	20	36	36	36
¾% December 1945	28	24	23	22	22	22	20	20	20	20
1% March 1946	----	----	----	24	24	23	24	24	24	24
1½% December 1946	----	----	----	----	----	14	18	21	36	39
Total Treasury notes	54	49	51	73	70	84	103	125	139	140

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TABLE 96.—*Summary data from Treasury survey of the ownership of securities issued or guaranteed by the United States, analyzing the ownership of such securities by classes of holders of each issue outstanding on quarterly dates from March 31, 1941, through June 30, 1943*—Continued

PART A. PUBLIC MARKETABLE INTEREST-BEARING SECURITIES.[1] PAR VALUES IN MILLIONS OF DOLLARS—Continued

Issue, classified by tax-exemption provision	1941				1942				1943	
	Mar. 31	June 30	Sept. 30	Dec. 31	Mar. 31	June 30	Sept. 30	Dec. 31	Mar. 31	June 30
III. Held by life insurance companies—Continued										
3. Subject to Federal income taxes—Continued.										
Treasury bonds:										
2% March 1948–50	115	121	136	171	189	167	159	150	199	202
1¾% June 1948	----	----	----	----	----	----	----	184	190	186
2% June 1949–51	----	----	----	----	84	84	87	94	142	140
2% September 1949–51	----	----	----	----	----	44	48	87	116	108
2% December 1949–51	----	----	----	----	----	----	108	139	203	185
2% March 1950–52	----	----	----	----	----	----	----	169	216	209
2% September 1950–52	----	----	----	----	----	----	----	----	----	582
2% December 1951–55	----	----	----	33	25	15	5	17	27	26
2½% March 1952–54	106	100	105	132	152	151	130	120	130	130
2¼% June 1952–55	----	----	----	----	197	185	186	199	222	222
2½% March 1956–58	----	261	373	355	351	352	365	401	518	503
2½% June 1962–67	----	----	----	----	----	557	1,270	1,272	1,276	1,263
2½% December 1963–68	----	----	----	----	----	----	----	1,274	1,317	1,325
2½% June 1964–69	----	----	----	----	----	----	----	----	----	1,514
2½% September 1967–72	----	----	----	576	586	587	591	586	576	550
Total Treasury bonds	221	481	614	1,266	1,585	2,141	2,950	4,693	5,132	7,143
Guaranteed issues:[4]										
Commodity Credit Corporation:										
1¼% February 1945	----	----	35	30	27	25	25	24	23	22
Reconstruction Finance Corporation:										
⅞% October 1942	----	16	17	16	16	16	14	----	----	----
1⅜% July 1943	----	11	11	7	7	6	6	3	2	1
1% April 1944	----	----	14	8	8	8	7	5	5	4
1% January 1945	----	----	----	----	----	----	----	----	----	----
Total guaranteed issues	----	27	76	60	58	55	52	32	29	27
Total subject to Federal income taxes	275	559	741	1,576	1,730	2,473	3,386	4,902	5,542	7,567
4. Total public marketable interest-bearing securities	5,547	5,674	5,813	6,563	6,640	7,329	7,971	9,080	8,960	10,630
IV. Held by fire, casualty, and marine insurance companies										
Number of institutions	574	574	564	563	559	559	559	556	549	549
1. Wholly exempt from Federal income taxes:[2]										
Treasury bills	21	----	----	----	----	----	----	----	----	----
Treasury notes:										
1⅜% June 1941	(*)	----	----	----	----	----	----	----	----	----
1¼% December 1941	6	6	5	----	----	----	----	----	----	----
1¾% March 1942	7	7	8	8	----	----	----	----	----	----
2% September 1942	7	6	6	6	6	5	----	----	----	----
1¾% December 1942	9	8	8	8	8	7	10	----	----	----
1¼% June 1943	13	12	11	12	11	11	11	11	11	----
1% September 1943	2	3	2	3	3	3	3	3	3	2
1⅛% December 1943	8	7	7	6	6	6	6	6	5	5
1% March 1944	6	6	6	7	7	7	6	6	6	6
¾% June 1944	4	3	4	6	5	5	5	5	5	4
1% September 1944	(*)	1	1	1	(*)	1	1	1	1	2
¾% March 1945	14	10	10	10	12	12	12	17	17	15
Total Treasury notes	75	67	68	67	58	57	54	48	48	34
Bonds:										
Postal savings	1	1	(*)	1	(*)	1	(*)	1	(*)	1
Panama Canal	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)
Conversion	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)
Total bonds	1	1	1	1	1	1	1	1	(*)	1
Total wholly exempt from Federal income taxes	97	67	68	68	59	57	54	49	48	35

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TABLE 96.—*Summary data from Treasury survey of the ownership of securities issued or guaranteed by the United States, analyzing the ownership of such securities by classes of holders of each issue outstanding on quarterly dates from March 31, 1941, through June 30, 1943*—Continued

PART A. PUBLIC MARKETABLE INTEREST-BEARING SECURITIES.[1] PAR VALUES IN MILLIONS OF DOLLARS—Continued

Issue, classified by tax-exemption provision	1941				1942				1943	
	Mar. 31	June 30	Sept. 30	Dec. 31	Mar. 31	June 30	Sept. 30	Dec. 31	Mar. 31	June 30
	IV. Held by fire, casualty, and marine insurance companies—Continued									
2. Partially exempt from Federal income taxes:[3]										
Treasury bonds:										
3¼% August 1941	36	2								
3⅜% June 1943–47	13	14	13	13	17	17	16	12	10	
3¼% October 1943–45	45	52	53	51	51	52	51	46	43	33
3¼% April 1944–46	43	45	47	47	46	45	50	44	42	39
4% December 1944–54	47	47	46	45	39	39	39	37	37	34
2¾% September 1945–47	38	36	37	36	34	32	33	31	30	28
2½% December 1945	27	30	35	37	36	33	33	33	29	30
3¾% March 1946–56	18	17	17	18	15	13	12	13	13	14
3% June 1946–48	34	34	34	33	33	30	30	30	30	31
3⅛% June 1946–49	25	25	25	26	25	25	25	23	23	22
4¼% October 1947–52	56	56	56	54	55	54	55	55	53	41
2% December 1947	22	21	22	24	25	25	27	27	28	31
2¾% March 1948–51	38	38	38	38	38	38	40	37	34	35
2½% September 1948	11	11	12	12	13	13	13	13	15	15
2% December 1948–50	22	23	20	19	19	18	19	23	22	24
3⅛% December 1949–52	21	22	22	23	23	23	23	23	22	26
2½%December 1949–53	44	47	51	54	54	55	56	59	57	60
2½% September 1950–52	38	39	40	42	43	42	47	51	50	49
2¾% June 1951–54	43	46	45	48	49	50	52	52	52	65
3% September 1951–55	16	18	18	17	19	20	22	23	22	26
2¼% December 1951–53	17	15	16	17	19	19	20	26	28	29
2% June 1953–55	13	16	16	16	15	17	20	23	22	25
2¼% June 1954–56	27	28	28	31	31	33	32	34	35	37
2⅞% March 1955–60	83	86	91	95	97	99	102	106	108	122
2¾% September 1956–59	26	28	31	39	46	50	52	58	64	68
2¾% June 1958–63	37	38	45	49	53	54	57	55	59	65
2¾% December 1960–65	80	83	80	84	87	79	82	78	84	96
Total Treasury bonds	919	918	939	968	979	976	1,010	1,010	1,014	1,045
Guaranteed issues:[4]										
Commodity Credit Corporation:										
⅝% August 1941	9	4								
1% November 1941	5	4	3							
¾% May 1943	4	4	3	4	3	3	3	3	3	
Federal Farm Mortgage Corporation:										
3% January 1942–47	2	2	2	2						
2¾% March 1942–47	1	1	1	1						
3¼% March 1944–64	1	1	1	1	1	1	1	1	1	1
3% May 1944–49	8	9	8	8	8	8	7	6	6	6
Federal Housing Administration debentures		(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)
Home Owners' Loan Corporation:										
⅝% May 1941	2									
2¼% July 1942–44	13	12	11	11	11	1				
3% May 1944–52	9	9	7	6	6	7	6	7	7	6
1½% June 1945–47	8	8	8	7	8	8	8	7	7	8
Reconstruction Finance Corporation:										
⅞% July 1941	2	1								
⅞% November 1941	15	15	7							
⅞% January 1942	3	3	3	3						
1% July 1942	4	4	4	4	4					
Federal Public Housing Authority:[5]										
¼% November 1941	(*)	(*)	(*)							
1⅜% February 1944	2	2	2	2	2	2	2	2	2	2
Total guaranteed issues	89	80	61	50	44	30	28	27	27	23
Total partially exempt from Federal income taxes	1,008	998	1,000	1,019	1,023	1,006	1,038	1,037	1,040	1,068

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TABLE 96.—*Summary data from Treasury survey of the ownership of securities issued or guaranteed by the United States, analyzing the ownership of such securities by classes of holders of each issue outstanding on quarterly dates from March 31, 1941, through June 30, 1943*—Continued

PART A. PUBLIC MARKETABLE INTEREST-BEARING SECURITIES.[1] PAR VALUES IN MILLIONS OF DOLLARS—Continued

Issue, classified by tax-exemption provision	1941				1942				1943	
	Mar. 31	June 30	Sept. 30	Dec. 31	Mar. 31	June 30	Sept. 30	Dec. 31	Mar. 31	June 30
	IV. Held by fire, casualty, and marine insurance companies—Continued									
3. Subject to Federal income taxes:										
Treasury bills	11	10	4	33	51	38	28	12	19	9
Certificate of indebtednesss:										
½% November 1942	----	----	----	----	----	29	30	----	----	----
⅝% February 1943	----	----	----	----	----	21	23	21	----	----
0.65% May 1943	----	----	----	----	----	----	14	16	15	----
⅞% August 1943	----	----	----	----	----	----	18	17	19	17
⅞% November 1943	----	----	----	----	----	----	----	32	27	24
⅞% December 1943	----	----	----	----	----	----	----	54	49	38
⅞% February 1944	----	----	----	----	----	----	----	----	54	41
⅞% April 1944	----	----	----	----	----	----	----	----	----	65
⅞% May 1944	----	----	----	----	----	----	----	----	----	8
Total certificates of indebtedness	----	----	----	----	----	51	86	141	165	193
Treasury notes:										
¾% March 1943	(*)	1	1	(*)	(*)	(*)	(*)	(*)	----	----
¾% September 1944	7	11	10	11	11	10	11	7	8	7
1¼% March 1945	----	----	----	----	----	----	14	18	18	18
¾% December 1945	11	9	10	11	10	10	10	10	11	10
1% March 1946	----	----	----	8	11	10	11	10	7	8
1½% December 1946	----	----	----	----	----	12	14	35	36	35
Total Treasury notes	18	21	21	30	32	41	60	80	80	78
Treasury bonds:										
2% March 1948–50	10	8	10	11	15	16	15	13	15	15
1¾% June 1948	----	----	----	----	----	----	----	53	53	51
2% June 1949–51	----	----	----	----	16	15	17	16	16	15
2% September 1949–51	----	----	----	----	----	18	19	19	18	17
2% December 1949–51	----	----	----	----	----	----	24	24	23	22
2% March 1950–52	----	----	----	----	----	----	----	17	15	23
2% September 1950–52	----	----	----	----	----	----	----	----	----	83
2% December 1951–55	----	----	----	15	13	11	8	9	9	9
2½% March 1952–54	21	8	9	10	10	10	10	10	10	11
2¼% June 1952–55	----	----	----	----	33	29	29	26	24	24
2½% March 1956–58	----	45	28	26	26	24	24	23	20	20
2½% June 1962–67	----	----	----	----	----	19	51	54	51	44
2½% December 1963–68	----	----	----	----	----	----	----	38	38	38
2½% June 1964–69	----	----	----	----	----	----	----	----	----	42
2½% September 1967–72	----	----	----	55	45	49	47	44	41	40
Total Treasury bonds	31	61	47	117	159	191	246	346	333	453
Guaranteed issues:[4]										
Commodity Credit Corporation:										
1⅛% February 1945	----	----	8	7	8	8	8	6	6	5
Reconstruction Finance Corporation:										
⅞% October 1942	----	1	1	1	7	7	4	----	----	----
1¼% July 1943	----	8	10	9	9	11	11	8	8	7
1% April 1944	----	----	12	11	9	8	8	8	8	8
1% January 1945	----	----	----	----	----	----	----	----	----	----
Total guaranteed issues	----	9	30	29	33	34	31	22	22	20
Total subject to Federal income taxes	60	101	102	209	274	356	450	601	618	753
4. Total public marketable interest-bearing securities	1,164	1,166	1,171	1,296	1,356	1,419	1,542	1,686	1,707	1,856

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TABLE 96.—*Summary data from Treasury survey of the ownership of securities issued or guaranteed by the United States, analyzing the ownership of such securities by classes of holders of each issue outstanding on quarterly dates from March 31, 1941, through June 30, 1943*—Continued

PART A. PUBLIC MARKETABLE INTEREST-BEARING SECURITIES.[1] PAR VALUES IN MILLIONS OF DOLLARS—Continued

Issue, classified by tax-exemption provision	1941				1942				1943	
	Mar. 31	June 30	Sept. 30	Dec. 31	Mar. 31	June 30	Sept. 30	Dec. 31	Mar. 31	June 30
	V. Held by United States Government agencies and trust funds and Federal Reserve Banks[6]									
1. Wholly exempt from Federal income taxes:[2]										
Treasury notes:										
1⅜% June 1941	(*)									
1¼% December 1941	43	43	43							
1¾% March 1942	87	87	87	85						
2% September 1942	65	65	65	66	66	66				
1¾% December 1942	31	31	31	31	31	31	31			
1½% June 1943	120	120	119	119	118	118	116	114	54	
1% September 1943	37	37	37	37	37	37	33	32	32	32
1½% December 1943	74	74	73	73	72	59	51	55	40	36
1% March 1944	111	111	111	111	111	110	107	107	97	88
¾% June 1944	78	77	77	77	77	77	72	72	66	60
1% September 1944	61	61	61	61	62	61	59	59	47	28
¾% March 1945	96	96	96	96	96	96	86	86	76	63
Total Treasury notes	804	802	800	756	670	655	556	525	411	307
Bonds:										
Postal savings	31	31	32	32	32	33	33	33	34	34
Panama Canal										
Conversion										
Total bonds	31	31	32	32	32	33	33	33	34	34
Total wholly exempt from Federal income taxes	834	833	832	788	703	687	589	558	444	340
2. Partially exempt from Federal income taxes:[3]										
Treasury bonds:										
3¼% August 1941	57	(*)								
3⅜% June 1943–47	59	59	49	49	49	49	40	101	104	
3¼% October 1943–45	117	117	117	117	117	115	130	199	138	186
3¼% April 1944–46	145	145	144	144	144	144	155	217	244	283
4% December 1944–54	100	100	100	100	100	100	100	110	118	118
2¾% September 1945–47	111	110	109	109	109	109	119	168	166	166
2½% December 1945	29	29	29	28	28	28	28	56	19	19
3¼% March 1946–56	58	58	58	58	58	58	62	69	70	70
3% June 1946–48	187	187	187	187	184	183	188	210	205	205
3⅛% June 1946–49	63	63	63	63	63	63	71	89	88	88
4¼% October 1947–52	80	80	80	80	80	80	84	87	82	82
2% December 1947	34	34	34	28	28	28	10	13	1	1
2¾% March 1948–51	160	157	157	153	145	145	144	165	164	162
2½% September 1948	26	26	26	26	26	26	26	28	5	
2% December 1948–50	52	52	52	51	51	51	51	55	50	49
2⅛% December 1949–52	43	43	43	43	43	43	41	48	46	41
2½% December 1949–53	269	269	269	269	263	261	260	299	247	236
2½% September 1950–52	134	134	134	134	129	126	126	166	122	118
2¾% June 1951–54	195	198	197	197	194	190	190	214	187	167
3% September 1951–55	122	122	122	124	124	124	110	112	97	85
2¼% December 1951–53	167	177	167	167	159	159	159	168	126	116
2% June 1953–55	52	44	44	33	32	32	32	38	27	18
2¼% June 1954–56	47	48	48	51	51	51	50	51	46	46
2⅛% March 1955–60	453	447	443	433	428	426	454	445	377	359
2⅜% September 1956–59	178	178	177	177	177	177	176	184	140	129
2¾% June 1958–63	98	95	94	90	85	85	94	92	80	69
2¾% December 1960–65	129	124	123	121	117	117	121	147	129	109
Total Treasury bonds	3,165	3,096	3,067	3,032	2,981	2,966	3,019	3,532	3,079	2,923
Guaranteed issues:[4]										
Commodity Credit Corporation:										
⅞% August 1941										
1% November 1941	(*)	(*)	(*)							
¾% May 1943								(*)	4	

Footnotes at end of table.

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TABLE 96.—*Summary data from Treasury survey of the ownership of securities issued or guaranteed by the United States, analyzing the ownership of such securities by classes of holders of each issue outstanding on quarterly dates from March 31, 1941, through June 30, 1943*—Continued

PART A. PUBLIC MARKETABLE INTEREST-BEARING SECURITIES.[1] PAR VALUES IN MILLIONS OF DOLLARS—Continued

Issue, classified by tax-exemption provision	1941				1942				1943	
	Mar. 31	June 30	Sept. 30	Dec. 31	Mar. 31	June 30	Sept. 30	Dec. 31	Mar. 31	June 30
	V. Held by United States Government agencies and trust unds and Federal Reserve Banks [6]—Continued									
2. Partially exempt from Federal income taxes[3]—Continued.										
Guaranteed issues [4]—Continued.										
Federal Farm Mortgage Corporation:										
3% January 1942-47	2	2	2	2	----	----	----	----	----	----
2¾% March 1942-47	----	----	----	----	----	----	----	----	----	----
3¼% March 1944-64	(*)	(*)	(*)	(*)	(*)	(*)	2	2	3	3
3% May 1944-49	97	96	95	90	88	88	87	92	60	23
Federal Housing Administration debentures	----	----	----	----	----	----	1	1	1	1
Home Owners' Loan Corporation:										
⅝% May 1941	----	----	----	----	----	----	----	----	----	----
2¼% July 1942-44	24	23	23	23	23	(*)	----	----	----	----
3% May 1944-52	142	141	141	141	139	139	139	145	120	14
1½% June 1945-47	6	6	6	6	6	4	3	3	3	3
Reconstruction Finance Corporation:										
⅞% July 1941	(*)	(*)	----	----	----	----	----	----	----	----
⅞% November 1941	----	----	----	----	----	----	----	----	----	----
⅞% January 1942	3	2	2	1	----	----	----	----	----	----
1% July 1942	(*)	(*)	(*)	(*)	(*)	----	----	----	----	----
Federal Public Housing Authority: [5]										
¼% November 1941	----	----	----	----	----	----	----	----	----	----
1⅜% February 1944	1	1	1	1	(*)	(*)	(*)	(*)	(*)	(*)
Total guaranteed issues	274	269	269	263	256	231	232	245	192	44
Total partially exempt from Federal income taxes	3,442	3,365	3,336	3,294	3,237	3,197	3,251	3,777	3,271	2,967
3. Subject to Federal income taxes:										
Treasury bills	----	----	----	10	----	243	660	1,021	2,106	3,826
Certificates of indebtedness:										
½% November 1942	----	----	----	----	----	68	265	----	----	----
⅝% February 1943	----	----	----	----	----	10	174	374	----	----
0.65% May 1943	----	----	----	----	----	----	36	153	292	----
⅞% August 1943	----	----	----	----	----	----	52	218	248	284
⅞% November 1943	----	----	----	----	----	----	----	314	313	381
⅞% December 1943	----	----	----	----	----	----	----	1	2	152
⅞% February 1944	----	----	----	----	----	----	----	----	14	33
⅞% April 1944	----	----	----	----	----	----	----	----	----	72
⅞% May 1944	----	----	----	----	----	----	----	----	----	223
Total certificates of indebtedness	----	----	----	----	----	77	527	1,058	869	1,143
Treasury notes:										
¾% March 1943	39	39	39	39	39	39	39	39	----	----
¾% September 1944	14	16	22	22	20	21	15	15	13	13
1¼% March 1945	----	----	----	----	----	----	23	249	178	167
¾% December 1945	6	9	7	9	13	14	17	18	19	18
1% March 1946	----	----	----	4	7	7	12	24	10	1
1½% December 1946	----	----	----	----	----	55	96	545	394	330
Total Treasury notes	59	64	68	74	80	135	202	891	614	529
Treasury bonds:										
2% March 1948-50	78	86	88	91	84	95	107	153	120	65
1¾% June 1948	----	----	----	----	----	----	----	7	7	7
2% June 1949-51	----	----	----	----	98	129	125	144	128	58
2% September 1949-51	----	----	----	----	----	17	43	74	55	27
2% December 1949-51	----	----	----	----	----	----	35	155	127	15

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TABLE 96.—*Summary data from Treasury survey of the ownership of securities issued or guaranteed by the United States, analyzing the ownership of such securities by classes of holders of each issue outstanding on quarterly dates from March 31, 1941, through June 30, 1943*—Continued

PART A. PUBLIC MARKETABLE INTEREST-BEARING SECURITIES.[1] PAR VALUES IN MILLIONS OF DOLLARS—Continued

Issue, classified by tax-exemption provision	1941				1942				1943	
	Mar. 31	June 30	Sept. 30	Dec. 31	Mar. 31	June 30	Sept. 30	Dec. 31	Mar. 31	June 30
	V. Held by United States Government agencies and trust funds and Federal Reserve Banks[6]—Continued									
3. Subject to Federal income taxes—Continued.										
Treasury bonds—Continued.										
2% March 1950–52	------	------	------	------	------	------	------	193	118	25
2% September 1950–52	------	------	------	------	------	------	------	------	------	46
2% December 1951–55	------	------	------	37	64	62	61	82	22	22
2½% March 1952–54	76	115	117	112	112	110	124	137	92	81
2¼% June 1952–55	------	------	------	------	44	60	89	136	84	78
2½% March 1956–58	------	89	110	101	104	109	132	120	47	51
2¼% June 1962–67	------	------	------	------	------	55	181	181	181	185
2½% December 1963–68	------	------	------	------	------	------	------	263	267	268
2½% June 1964–69	------	------	------	------	------	------	------	------	------	379
2½% September 1967–72	------	------	------	271	322	336	351	338	308	280
Total Treasury bonds	154	290	314	612	829	973	1,248	1,983	1,557	1,590
Guaranteed issues:[4]										
Commodity Credit Corporation:										
1⅛% February 1945	------	------	6	18	22	22	31	31	25	27
Reconstruction Finance Corporation:										
⅞% October 1942	------	1	1	(*)	(*)	(*)	(*)	------	------	------
1⅛% July 1943	------	1	1	1	1	1	(*)	9	11	21
1% April 1944	------	------	1	3	8	32	55	63	72	78
1% January 1945	------	------	------	------	------	------	------	------	75	115
Total guaranteed issues	------	2	8	22	32	55	86	103	182	241
Total subject to Federal income taxes	213	356	391	719	940	1,484	2,723	5,056	5,328	7,329
4. Total public marketable interest-bearing securities	4,489	4,554	4,559	4,801	4,880	5,368	6,563	9,391	9,043	10,636
	VI. Held by all other investors[5]									
1. Wholly exempt from Federal income taxes:[2]										
Treasury bills	692	------	------	------	------	------	------	------	------	------
Treasury notes:										
1⅜% June 1941	13	------	------	------	------	------	------	------	------	------
1¼% December 1941	73	67	72	------	------	------	------	------	------	------
1¾% March 1942	110	96	94	103	------	------	------	------	------	------
2% September 1942	152	149	146	139	139	138	------	------	------	------
1¾% December 1942	100	98	98	101	99	100	88	------	------	------
1⅛% June 1943	186	191	194	186	207	228	293	324	290	------
1% September 1943	44	43	43	45	50	67	102	118	129	138
1⅛% December 1943	156	150	152	163	172	183	225	258	232	250
1% March 1944	113	112	112	111	119	124	138	155	194	238
¾% June 1944	81	82	93	90	102	109	124	139	171	225
1% September 1944	180	186	188	189	167	183	183	188	189	218
¾% March 1945	130	141	148	167	216	265	266	343	380	427
Total Treasury notes	1,338	1,315	1,338	1,294	1,271	1,397	1,421	1,525	1,586	1,495
Bonds:										
Postal savings	70	73	72	73	73	72	73	72	72	72
Panama Canal	49	49	49	49	49	49	49	49	49	49
Conversion	29	29	29	28	29	29	29	29	29	29
Total bonds	148	151	150	151	151	150	150	150	150	149
Total wholly exempt from Federal income taxes	2,178	1,466	1,488	1,444	1,422	1,547	1,572	1,675	1,736	1,644

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TABLE 96.—*Summary data from Treasury survey of the ownership of securities issued or guaranteed by the United States, analyzing the ownership of such securities by classes of holders of each issue outstanding on quarterly dates from March 31, 1941, through June 30, 1943*—Continued

PART A. PUBLIC MARKETABLE INTEREST-BEARING SECURITIES.[1] PAR VALUES IN MILLIONS OF DOLLARS—Continued

Issue, classified by tax-exemption provision	1941				1942				1943	
	Mar. 31	June 30	Sept. 30	Dec. 31	Mar. 31	June 30	Sept. 30	Dec. 31	Mar. 31	June 30
	VI. Held by all other investors—Continued									
2. Partially exempt from Federal income taxes:[3]										
Treasury bonds:										
3¼% August 1941	172	40								
3⅜% June 1943–47	146	142	145	144	142	142	139	137	132	
3¼% October 1943–45	512	514	507	493	489	485	480	474	470	493
3¼% April 1944–46	479	479	472	471	464	457	456	447	444	458
4% December 1944–54	310	304	304	295	296	292	290	279	300	305
2¾% September 1945–47	326	314	316	312	306	298	294	285	282	280
2½% December 1945	96	90	95	89	90	89	95	94	98	100
3¼% March 1946–56	119	116	112	107	118	114	103	103	105	104
3% June 1946–48	219	212	207	206	201	199	187	191	189	190
3⅛% June 1946–49	277	270	264	264	258	261	249	250	242	246
4¼% October 1947–52	272	270	265	269	262	259	259	254	258	252
2% December 1947	117	104	108	101	95	93	85	94	106	94
2¾% March 1948–51	163	157	159	145	141	133	137	126	141	115
2½% September 1948	68	64	72	60	52	56	54	53	45	55
2% December 1948–50	76	72	62	73	64	58	57	41	43	45
2½% December 1949–52	71	71	70	66	65	65	54	59	65	71
2½% December 1949–53	355	345	299	291	290	288	266	264	265	250
2½% September 1950–52	178	165	183	153	146	141	140	112	129	137
2¾% June 1951–54	280	276	247	244	249	244	250	223	219	191
3% September 1951–55	346	342	338	332	319	322	315	324	313	311
2½% December 1951–53	180	164	145	139	135	135	132	128	124	126
2% June 1953–55	80	96	67	54	62	65	56	68	64	60
2½% June 1954–56	117	111	99	102	100	90	87	95	89	95
2½% March 1955–60	1,103	1,085	1,069	1,061	1,051	1,030	984	1,003	1,011	996
2½% September 1956–59	228	220	205	189	198	203	188	185	185	184
2¾% June 1958–63	159	153	144	142	144	140	134	137	147	161
2¾% December 1960–65	330	311	308	297	291	285	275	285	350	335
Total Treasury bonds	6,779	6,488	6,261	6,099	6,029	5,944	5,766	5,713	5,816	5,653
Guaranteed issues:[4]										
Commodity Credit Corporation:										
⅞% August 1941	28	40								
1% November 1941	29	26	20							
¾% May 1943	37	39	38	40	40	36	45	45	45	
Federal Farm Mortgage Corporation:										
3% January 1942–47	79	80	81	88						
2¾% March 1942–47	18	16	18	19						
3¼% March 1944–64	37	34	33	32	32	30	31	28	28	27
3% May 1944–49	227	228	222	217	214	215	216	204	198	220
Federal Housing Administration debentures		7	3	3	5	3	(*)	1	1	2
Home Owners' Loan Corporation:										
⅝% May 1941	37									
2¼% July 1942–44	106	118	125	126	147	10				
3% May 1944–52	276	269	264	255	254	256	265	241	240	252
1½% June 1945–47	96	84	82	80	79	65	62	64	65	92
Reconstruction Finance Corporation:										
⅞% July 1941	24	33								
⅞% November 1941	43	46	35							
⅞% January 1942	29	43	31	35						
1% July 1942	49	45	39	42	44	4				
Federal Public Housing Authority:[5]										
¼% November 1941	16	16	18							
1⅜% February 1944	12	14	14	18	16	16	16	14	17	22
Total guaranteed issues	1,143	1,138	1,024	953	831	633	636	599	595	615
Total partially exempt from Federal income taxes	7,921	7,626	7,285	7,052	6,860	6,577	6,400	6,311	6,412	6,267

Footnotes at end of table.

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TABLE 96.—*Summary data from Treasury survey of the ownership of securities issued or guaranteed by the United States, analyzing the ownership of such securities by classes of holders of each issue outstanding on quarterly dates from March 31, 1941, through June 30, 1943*—Continued

PART A. PUBLIC MARKETABLE INTEREST-BEARING SECURITIES.[1] PAR VALUES IN MILLIONS OF DOLLARS—Continued

Issue, classified by tax-exemption provision	1941				1942				1943	
	Mar. 31	June 30	Sept. 30	Dec. 31	Mar. 31	June 30	Sept. 30	Dec. 31	Mar. 31	June 30
	VI. Held by all other investors—Continued									
3. Subject to Federal income taxes:										
Treasury bills	268	459	471	710	856	590	935	1,073	1,837	1,361
Certificates of indebtedness:										
1½% November 1942	------	------	------	------	------	433	403	------	------	------
⅝% February 1943	------	------	------	------	------	349	292	272	------	------
0.65% May 1943	------	------	------	------	------	------	314	310	349	------
⅞% August 1943	------	------	------	------	------	------	335	280	307	298
⅞% November 1943	------	------	------	------	------	------	------	305	313	335
⅞% December 1943	------	------	------	------	------	------	------	1,530	1,334	1,160
⅞% February 1944	------	------	------	------	------	------	------	------	695	558
⅞% April 1944	------	------	------	------	------	------	------	------	------	2,646
⅞% May 1944	------	------	------	------	------	------	------	------	------	109
Total certificates of indebtedness	------	------	------	------	------	782	1,344	2,696	2,997	5,106
Treasury notes:										
¾% March 1943	9	11	9	9	11	11	13	13	------	------
¾% September 1944	87	76	78	79	99	91	99	102	119	125
1¼% March 1945	------	------	------	------	------	------	454	226	259	244
¾% December 1945	66	57	57	59	70	50	67	65	63	73
1% March 1946	------	------	------	48	63	88	73	65	67	70
1½% December 1946	------	------	------	------	------	132	110	330	349	394
Total Treasury notes	162	143	144	196	242	373	816	802	857	907
Treasury bonds:										
2% March 1948–50	157	153	133	127	125	143	135	147	155	158
1¾% June 1948	------	------	------	------	------	------	------	729	582	580
2% June 1949–51	------	------	------	------	118	64	62	63	91	64
2% September 1949–51	------	------	------	------	------	231	174	163	150	159
2% December 1949–51	------	------	------	------	------	------	467	412	404	389
2% March 1950–52	------	------	------	------	------	------	------	320	295	177
2% September 1950–52	------	------	------	------	------	------	------	------	------	1,533
2% December 1951–55	------	------	------	92	96	78	90	87	89	100
2½% March 1952–54	168	198	212	216	203	219	211	230	230	218
2¼% June 1952–55	------	------	------	------	268	225	243	229	240	239
2½% March 1956–58	------	266	269	314	300	316	282	313	311	317
2½% June 1962–67	------	------	------	------	------	186	417	431	423	433
2½% December 1963–68	------	------	------	------	------	------	------	765	699	697
2½% June 1964–69	------	------	------	------	------	------	------	------	------	1,214
2½% September 1967–72	------	------	------	668	695	704	707	705	727	687
Total Treasury bonds	325	618	615	1,418	1,806	2,166	2,788	4,595	4,396	6,963
Guaranteed issues:[4]										
Commodity Credit Corporation:										
1⅛% February 1945	------	------	46	46	45	42	44	44	46	43
Reconstruction Finance Corporation:										
⅞% October 1942	------	39	32	35	37	48	25	------	------	------
1⅛% July 1943	------	43	29	31	38	39	42	41	54	40
1% April 1944	------	------	56	58	57	72	56	59	60	54
1% January 1945	------	------	------	------	------	------	------	------	------	------
Total guaranteed issues	------	82	164	170	177	201	168	144	160	136
Total subject to Federal income taxes	753	1,302	1,394	2,493	3,081	4,112	6,051	9,311	10,248	14,473
4. Total public marketable interest-bearing securities	10,852	10,394	10,168	10,990	11,363	12,237	14,023	17,297	18,395	22,385

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TABLE 96.—*Summary data from Treasury survey of the ownership of securities issued or guaranteed by the United States, analyzing the ownership of such securities by classes of holders of each issue outstanding on quarterly dates from March 31, 1941, through June 30, 1943*—Continued

PART A. PUBLIC MARKETABLE INTEREST-BEARING SECURITIES.[1] PAR VALUES IN MILLIONS OF DOLLARS—Continued

Issue, classified by tax-exemption provision	1941				1942				1943	
	Mar. 31	June 30	Sept. 30	Dec. 31	Mar. 31	June 30	Sept. 30	Dec. 31	Mar. 31	June 30
	VII. Grand total held by all investors in public marketable interest-bearing securities									
1. Wholly exempt from Federal income taxes:[2]										
Treasury bills	903									
Treasury notes:										
1¼% June 1941	25									
1½% December 1941	204	204	204							
1¾% March 1942	426	426	426	426						
2% September 1942	342	342	342	342	342	342				
1¾% December 1942	232	232	232	232	232	232	232			
1¼% June 1943	629	629	629	629	629	629	629	629	629	
1% September 1943	279	279	279	279	279	279	279	279	279	279
1⅛% December 1943	421	421	421	421	421	421	421	421	421	421
1% March 1944	515	515	515	515	515	515	515	515	515	515
¾% June 1944	416	416	416	416	416	416	416	416	416	416
1% September 1944	283	283	283	283	283	283	283	283	283	283
¾% March 1945	718	718	718	718	718	718	718	718	718	718
Total Treasury notes	4,491	4,467	4,467	4,262	3,836	3,836	3,494	3,261	3,261	2,632
Bonds:										
Postal savings	117	117	117	117	117	117	117	117	117	117
Panama Canal	50	50	50	50	50	50	50	50	50	50
Conversion	29	29	29	29	29	29	29	29	29	29
Total bonds	196	196	196	196	196	196	196	196	196	196
Total wholly exempt from Federal income taxes	5,590	4,663	4,663	4,458	4,032	4,032	3,690	3,457	3,457	2,828
2. Partially exempt from Federal income taxes:[3]										
Treasury bonds:										
3¼% August 1941	834	47								
3⅜% June 1943–47	454	454	454	454	454	454	454	454	454	
3¼% October 1943–45	1,400	1,401	1,401	1,401	1,401	1,401	1,401	1,401	1,401	1,401
3¼% April 1944–46	1,519	1,519	1,519	1,519	1,519	1,519	1,519	1,519	1,519	1,519
4% December 1944–54	1,037	1,037	1,037	1,037	1,037	1,037	1,037	1,037	1,037	1,037
2¾% September 1945–47	1,214	1,214	1,214	1,214	1,214	1,214	1,214	1,214	1,214	1,214
2½% December 1945	541	541	541	541	541	541	541	541	541	541
3¾% March 1946–56	489	489	489	489	489	489	489	489	489	489
3% June 1946–48	1,036	1,036	1,036	1,036	1,036	1,036	1,036	1,036	1,036	1,036
3⅛% June 1946–49	819	819	819	819	819	819	819	819	819	819
4¼% October 1947–52	759	759	759	759	759	759	759	759	759	759
2% December 1947	701	701	701	701	701	701	701	701	701	701
2¾% March 1948–51	1,223	1,223	1,223	1,223	1,223	1,223	1,223	1,223	1,223	1,223
2½% September 1948	451	451	451	451	451	451	451	451	451	451
2% December 1948–50	571	571	571	571	571	571	571	571	571	571
3⅛% December 1949–52	491	491	491	491	491	491	491	491	491	491
2½% December 1949–53	1,786	1,786	1,786	1,786	1,786	1,786	1,786	1,786	1,786	1,786
2½% September 1950–52	1,186	1,186	1,186	1,186	1,186	1,186	1,186	1,186	1,186	1,186
2¾% June 1951–54	1,627	1,627	1,627	1,627	1,627	1,627	1,627	1,627	1,627	1,627
3% September 1951–55	755	755	755	755	755	755	755	755	755	755
2¼% December 1951–53	1,118	1,118	1,118	1,118	1,118	1,118	1,118	1,118	1,118	1,118
2% June 1953–55	725	725	725	725	725	725	725	725	725	725
2¼% June 1954–56	681	681	681	681	681	681	681	681	681	681
2⅜% March 1955–60	2,611	2,611	2,611	2,611	2,611	2,611	2,611	2,611	2,611	2,611
2¾% September 1956–59	982	982	982	982	982	982	982	982	982	982
2¾% June 1958–63	919	919	919	919	919	919	919	919	919	919
2¾% December 1960–65	1,485	1,485	1,485	1,485	1,485	1,485	1,485	1,485	1,485	1,485
Total Treasury bonds	27,415	26,628	26,581	26,581	26,581	26,581	26,581	26,581	26,581	26,127
Guaranteed issues:[4]										
Commodity Credit Corporation:										
⅝% August 1941	203	203								
1% November 1941	204	204	204							
¾% May 1943	289	289	289	289	289	289	289	289	289	

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TABLE 96.—*Summary data from Treasury survey of the ownership of securities issued or guaranteed by the United States, analyzing the ownership of such securities by classes of holders of each issue outstanding on quarterly dates from March 31, 1941, through June 30, 1943*—Continued

PART A. PUBLIC MARKETABLE INTEREST-BEARING SECURITIES.[1] PAR VALUES IN MILLIONS OF DOLLARS—Continued

Issue, classified by tax-exemption provision	1941				1942				1943	
	Mar. 31	June 30	Sept. 30	Dec. 31	Mar. 31	June 30	Sept. 30	Dec. 31	Mar. 31	June 30
	VII. Grand total held by all investors in public marketable interest-bearing securities—Continued									
2. Partially exempt from Federal income taxes[3]—Continued.										
Guaranteed issues[4]—Continued.										
Federal Farm Mortgage Corporation:										
3% January 1942-47	236	236	236	236	------	------	------	------	------	------
2¾% March 1942-47	103	103	103	103	------	------	------	------	------	------
3¼% March 1944-64	95	95	95	95	95	95	95	95	95	95
3% May 1944-49	835	835	835	835	835	835	835	835	835	835
Federal Housing Administration debentures	------	17	18	21	21	22	21	22	23	23
Home Owners' Loan Corporation:										
⅛% May 1941	191	------	------	------	------	------	------	------	------	------
2¼% July 1942-44	875	875	875	875	875	29	------	------	------	------
3% May 1944-52	779	779	779	779	779	779	779	779	779	779
1½% June 1945-47	755	755	755	755	755	755	755	755	755	755
Reconstruction Finance Corporation:										
⅛% July 1941	211	212	------	------	------	------	------	------	------	------
⅛% November 1941	300	300	300	------	------	------	------	------	------	------
⅛% January 1942	310	310	310	310	------	------	------	------	------	------
1% July 1942	276	276	276	276	276	4	------	------	------	------
Federal Public Housing Authority:[5]										
¼% November 1941	112	112	112	------	------	------	------	------	------	------
1⅛% February 1944	114	114	114	114	114	114	114	114	114	114
Total guaranteed issues	5,888	5,715	5,302	4,689	4,039	2,921	2,888	2,889	2,889	2,601
Total partially exempt from Federal income taxes	33,304	32,343	31,882	31,270	30,620	29,502	29,468	29,470	29,470	28,728
3. Subject to Federal income taxes:										
Treasury bills	701	1,603	1,305	2,002	1,652	2,508	4,619	6,627	9,234	11,864
Certificates of indebtedness:										
½% November 1942	------	------	------	------	------	1,507	1,507	------	------	------
⅜% February 1943	------	------	------	------	------	1,588	1,588	1,588	------	------
0.65% May 1943	------	------	------	------	------	------	1,506	1,506	1,506	------
⅜% August 1943	------	------	------	------	------	------	1,609	1,609	1,609	1,609
⅜% November 1943	------	------	------	------	------	------	------	2,035	2,035	2,035
⅜% December 1943	------	------	------	------	------	------	------	3,795	3,800	3,800
⅜% February 1944	------	------	------	------	------	------	------	------	2,211	2,211
⅜% April 1944	------	------	------	------	------	------	------	------	------	5,251
⅜% May 1944	------	------	------	------	------	------	------	------	------	1,655
Total certificates of indebtedness	------	------	------	------	------	3,096	6,211	10,534	11,161	16,561
Treasury notes:										
¾% March 1943	65	66	66	66	66	66	66	66	------	------
¾% September 1944	635	635	635	635	635	635	635	635	635	635
1¼% March 1945	------	------	------	------	------	------	1,611	1,606	1,606	1,606
¾% December 1945	531	531	531	531	531	531	531	531	531	531
1% March 1946	------	------	------	503	503	503	503	503	503	503
1½% December 1946	------	------	------	------	------	1,118	1,118	3,261	3,261	3,261
Total Treasury notes	1,231	1,232	1,232	1,735	1,735	2,853	4,464	6,602	6,536	6,536
Treasury bonds:										
2% March 1948-50	1,115	1,115	1,115	1,115	1,115	1,115	1,115	1,115	1,115	1,115
1¾% June 1948	------	------	------	------	------	------	------	3,061	3,062	3,062
2% June 1949-51	------	------	------	------	1,014	1,014	1,014	1,014	1,014	1,014
2% September 1949-51	------	------	------	------	------	1,292	1,292	1,292	1,292	1,292
2% December 1949-51	------	------	------	------	------	------	2,098	2,098	2,098	2,098
2% March 1950-52	------	------	------	------	------	------	------	1,963	1,963	1,963

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TABLE 96.—*Summary data from Treasury survey of the ownership of securities issued or guaranteed by the United States, analyzing the ownership of such securities by classes of holders of each issue outstanding on quarterly dates from March 31, 1941, through June 30, 1943*—Continued

PART A. PUBLIC MARKETABLE INTEREST-BEARING SECURITIES.[1] PAR VALUES IN MILLIONS OF DOLLARS—Continued

Issue, classified by tax-exemption provision	1941				1942				1943	
	Mar. 31	June 30	Sept. 30	Dec. 31	Mar. 31	June 30	Sept. 30	Dec. 31	Mar. 31	June 30
	VII. Grand total held by all investors in public marketable interest-bearing securities—Continued									
3. Subject to Federal income taxes—Con.										
Treasury bonds—Continued.										
2% September 1950-52	------	------	------	------	------	------	------	------	------	4,939
2% December 1951-55	------	------	------	533	510	510	510	510	510	510
2½% March 1952-54	1,002	1,024	1,024	1,024	1,024	1,024	1,024	1,024	1,024	1,024
2¼% June 1952-55	------	------	------	------	1,501	1,501	1,501	1,501	1,501	1,501
2½% March 1956-58	------	1,448	1,449	1,449	1,449	1,449	1,449	1,449	1,449	1,449
2½% June 1962-67	------	------	------	------	------	882	2,118	2,118	2,118	2,118
2½% December 1963-68	------	------	------	------	------	------	------	2,827	2,831	2,831
2½% June 1964-69	------	------	------	------	------	------	------	------	------	3,762
2½% September 1967-72	------	------	------	2,666	2,716	2,716	2,716	2,716	2,716	2,716
Total Treasury bonds	2,117	3,587	3,588	6,787	9,329	11,504	14,837	22,687	22,693	31,394
Guaranteed issues:[4]										
Commodity Credit Corporation:										
1⅛% February 1945	------	------	412	412	412	412	412	412	412	412
Reconstruction Finance Corporation:										
⅞% October 1942	------	320	320	320	320	320	320	------	------	------
1⅛% July 1943	------	324	324	324	324	324	324	324	324	324
1% April 1944	------	------	571	571	571	571	571	571	571	571
1% January 1945	------	------	------	------	------	------	------	------	75	115
Total guaranteed issues	------	644	1,627	1,627	1,627	1,627	1,627	1,307	1,382	1,422
Total subject to Federal income taxes	4,049	7,067	7,752	12,150	14,343	21,588	31,758	47,758	51,006	67,777
4. Total public marketable interest-bearing securities	42,943	44,072	44,297	47,878	48,995	55,122	64,916	80,685	83,934	99,333

PART B. NONMARKETABLE SECURITIES.[7] PAR VALUES IN MILLIONS OF DOLLARS

Issue	1941				1942				1943	
	Mar. 31	June 30	Sept. 30	Dec. 31	Mar. 31	June 30	Sept. 30	Dec. 31	Mar. 31	June 30
	I. Held by commercial banks									
Treasury notes, tax series and savings series	------	------	35	36	38	37	60	56	52	48
United States savings bonds (maturity value)	165	173	174	176	178	178	180	185	195	196
Adjusted service bonds	------	------	------	------	------	------	------	------	------	------
Depositary bonds	------	1	48	57	66	70	80	114	141	196
Total nonmarketable securities	165	174	257	269	282	285	320	355	388	440
	II. Held by mutual savings banks									
Treasury notes, tax series and savings series	------	------	------	------	------	------	4	4	1	(*)
United States savings bonds (maturity value)	5	19	23	24	35	42	61	67	102	106
Adjusted service bonds	------	------	------	------	------	------	------	------	------	------
Depositary bonds	------	------	------	------	------	------	------	------	------	------
Total nonmarketable securities	5	19	23	24	35	42	65	71	103	106

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TABLE 96.—*Summary data from Treasury survey of the ownership of securities issued or guaranteed by the United States, analyzing the ownership of such securities by classes of holders of each issue outstanding on quarterly dates from March 31, 1941, through June 30, 1943*—Continued

PART B. NONMARKETABLE SECURITIES.[7] PAR VALUES IN MILLIONS OF DOLLARS—Continued

Issue	1941				1942				1943	
	Mar. 31	June 30	Sept. 30	Dec. 31	Mar. 31	June 30	Sept. 30	Dec. 31	Mar. 31	June 30
III. Held by life insurance companies										
Treasury notes, tax series and savings series	-----	-----	(*)	(*)	(*)	1	3	7	6	7
United States savings bonds (maturity value)	3	9	10	11	18	20	29	30	44	46
Adjusted service bonds	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----
Depositary bonds	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----
Total nonmarketable securities	3	9	10	11	18	21	32	37	50	54
IV. Held by fire, casualty, and marine insurance companies										
Treasury notes, tax series and savings series	-----	-----	9	11	10	11	16	25	23	23
United States savings bonds (maturity value)	7	21	24	27	42	45	61	65	86	93
Adjusted service bonds	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----
Depositary bonds	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----
Total nonmarketable securities	7	21	33	38	52	56	77	90	109	116
V. Held by United States Government agencies and trust funds and Federal Reserve Banks										
Treasury notes, tax series and savings series	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----
United States savings bonds (maturity value)	(*)	1	1	1	3	3	6	5	6	7
Adjusted service bonds	-----	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)
Depositary bonds	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----
Total nonmarketable securities	(*)	1	1	1	3	3	6	5	6	7
VI. Held by all other investors										
Treasury notes, tax series and savings series	-----	-----	1,299	2,423	2,488	2,966	4,054	6,291	6,264	7,417
United States savings bonds (maturity value)	4,438	5,201	6,120	7,310	10,055	12,195	14,939	18,133	21,553	25,746
Adjusted service bonds	245	241	236	233	231	229	226	224	223	222
Depositary bonds	-----	-----	6	6	8	9	14	16	21	31
Total nonmarketable securities	4,684	5,442	7,661	9,972	12,783	15,399	19,234	24,664	28,061	33,416
VII. Grand total held by all investors in nonmarketable securities										
Treasury notes tax series and savings series	-----	-----	1,343	2,471	2,536	3,014	4,137	6,384	6,346	7,495
United States savings bonds (maturity value)	4,618	5,424	6,352	7,549	10,331	12,483	15,275	18,485	21,987	26,195
Adjusted service bonds	246	241	236	233	231	229	226	224	223	223
Depositary bonds	-----	1	54	64	75	79	94	130	162	226
Total nonmarketable securities	4,864	5,665	7,985	10,317	13,173	15,805	19,732	25,223	28,718	34,139

NOTE.—Figures are rounded to nearest million and will not necessarily add to totals.

* Less than $500,000.

[1] Public marketable securities include all interest-bearing securities except (1) special issues to Government agencies and trust funds, (2) adjusted service bonds, (3) depositary bonds, (4) United States savings bonds, and (5) Treasury notes, tax series and savings series.

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

[3] Securities the income from which is exempt from the normal rates of the Federal income tax. (In the case of partially tax-exempt Treasury bonds, interest derived from $5,000 of principal amount owned by any single holder is also exempt from the surtax rates of the Federal income tax.)

[4] Excludes obligations sold directly to the Treasury, and Commodity Credit Corporation ½% demand obligations.

[5] Formerly the United States Housing Authority.

[6] Excludes the exchange stabilization fund.

[7] Excludes special issues to Government agencies and trust funds.

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TABLE 97.—*Estimated ownership of all interest-bearing governmental securities outstanding, classified by issuer, June 30, 1937 through 1943* [1]

[Par value.[2] In billions of dollars]

June 30	Total all securities	Securities of U. S. Government and Federal instrumentalities guaranteed by United States [3]			Securities of Federal instrumentalities not guaranteed by United States [6]	Securities of State and local governments, Territories, and possessions
		Total	U. S. Government [4]	Federal instrumentalities guaranteed by United States [5]		
1. Total amount outstanding						
1937	65.7	44.1	35.8	8.3	2.3	19.3
1938	63.9	42.3	36.6	5.7	2.3	19.3
1939	67.7	45.6	39.9	5.7	2.3	19.8
1940	70.2	48.0	42.4	5.6	2.2	20.0
1941	77.3	55.1	48.4	6.7	2.2	20.0
1942	102.4	80.7	72.0	8.6	2.2	19.5
1943	167.4	147.0	135.4	11.6	1.9	r 18.5
2. Held by governmental funds [8] and Federal Reserve Banks						
1937	15.2	10.0	6.0	4.0	0.8	4.3
1938	13.8	8.5	7.3	1.2	.8	4.5
1939	14.3	9.0	8.4	.6	.8	4.5
1940	15.4	10.0	9.6	.4	.8	4.5
1941	17.0	11.4	10.8	.6	.8	4.8
1942	23.7	18.0	13.6	4.4	.8	4.9
1943	35.4	30.3	22.5	7.8	.6	r 4.5
3. Privately held securities outstanding						
1937	50.5	34.1	29.8	4.3	1.4	15.0
1938	50.1	33.8	29.3	4.5	1.4	14.9
1939	53.3	36.6	31.5	5.2	1.4	15.3
1940	54.8	38.0	32.8	5.2	1.4	15.5
1941	60.3	43.7	37.6	6.1	1.4	15.2
1942	78.7	62.7	58.4	4.3	1.4	14.7
1943	132.0	116.7	112.9	3.8	1.3	14.0
3a. Held by commercial banks						
1937	17.7	14.6	12.4	2.2	0.3	2.8
1938	17.3	14.1	11.7	2.4	.4	2.8
1939	19.4	15.7	12.5	3.2	.5	3.2
1940	20.7	16.7	13.2	3.5	.4	3.6
1941	24.0	19.8	15.6	4.2	.5	3.7
1942	r 30.4	r 26.1	r 23.1	3.0	.7	3.6
1943	56.1	52.0	49.2	2.8	.6	3.5
3b. Held by mutual savings banks						
1937	3.2	2.4	2.2	0.2	----------	0.8
1938	3.4	2.7	2.4	.3	----------	.7
1939	3.7	3.1	2.7	.4	----------	.6
1940	3.7	3.1	2.6	.5	----------	.6
1941	3.9	3.4	3.1	.3	----------	.5
1942	r 4.3	r 3.9	r 3.7	r .1	----------	.4
1943	5.5	5.3	5.2	.1	----------	.2

Footnotes at end of table.

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TABLE 97.—*Estimated ownership of all interest-bearing governmental securities outstanding, classified by issuer, June 30, 1937 through 1943* [1]—Continued

[Par value.[2] In billions of dollars]

June 30	Total all securities	Securities of U. S. Government and Federal instrumentalities guaranteed by United States [3]			Securities of Federal instrumentalities not guaranteed by United States [6]	Securities of State and local governments, Territories, and possessions
		Total	U. S. Government [4]	Federal instrumentalities guaranteed by United States [5]		
3c. Held by insurance companies						
1937	6.8	5.0	4.4	0.6	----	1.8
1938	7.4	5.5	4.8	.7	----	1.9
1939	7.9	5.9	5.3	.6	----	2.0
1940	8.6	6.5	6.0	.5	----	2.1
1941	9.1	7.0	6.4	.6	----	2.1
1942	r 10.9	8.9	8.5	.4	----	r 2.0
1943	14.5	12.8	12.4	.3	----	1.7
3d. Held by other corporations and associations [9]						
1937	3.8	2.6	2.2	0.4	0.1	1.1
1938	3.6	2.4	2.0	.4	.1	1.1
1939	3.8	2.4	2.0	.4	.1	1.3
1940	3.7	2.4	2.1	.3	.1	1.2
1941	3.6	2.4	2.1	.3	.1	1.1
1942	7.0	5.8	5.5	.3	.1	1.1
1943	17.4	16.4	16.1	.3	.1	.9
3e. Held by individuals, partnerships, and personal trust accounts						
1937	19.0	9.5	8.6	0.9	1.0	8.5
1938	18.4	9.1	8.4	.7	1.0	8.3
1939	18.6	9.5	9.0	.5	.9	8.2
1940	18.1	9.3	8.9	.4	.9	7.9
1941	19.6	11.1	10.4	.7	.7	7.8
1942	r 26.0	17.9	17.5	.4	.6	r 7.5
1943	38.5	30.2	29.9	.3	.6	7.7

NOTE.—Figures are rounded to nearest tenth of a billion and will not necessarily add to totals.

r Revised.

[1] See footnote 1 on p. 762.

[2] Figures represent par values with the following exceptions: (1) The holdings of commercial and mutual savings banks are book values, except that in the case of 1941, 1942, and 1943 the figures for securities issued or guaranteed by the United States are par values, (2) the holdings of individuals are residuals, and so deviate from par values in those cases where the figures for banks are book values, (3) in the case of data which include United States savings bonds, the figures for these bonds represent current redemption values.

[3] Data for June 30, 1943, on daily Treasury statement basis; data for prior years on public debt accounts basis.

[4] Including special issues to Federal agencies and trust funds.

[5] See footnote 4 on p. 762.

[6] See footnote 5 on p. 763.

[7] No information is available on changes since June 30, 1942, in the total amount outstanding of interest-bearing securities of the territories and possessions or on changes in the holdings of specified funds of the territories and possessions since that date. All of the June 30, 1942, estimates relating to the territories and possessions have accordingly been retained for June 30, 1943.

[8] Comprises securities held by (1) U. S. Treasury, (2) Federal agencies and trust funds (including exchange stabilization fund), and (3) sinking, trust, and investment funds of State and local governments, Territories and possessions.

[9] Includes holdings of tax-exempt institutions other than mutual savings banks.

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TABLE 98.—*Estimated amount of interest-bearing securities issued by all governmental units in the United States outstanding on June 30, 1943, classified by tax status and by type of issuer* [1]

[Par value.[2] In millions of dollars]

	Total all securities	Tax-exempt			Taxable [5]	U. S. Government special issues to Federal agencies and trust funds
		Total	Wholly [3]	Partially [4]		
All interest-bearing securities:						
Total amount outstanding	167,411	55,340	23,070	32,270	101,200	10,871
Less securities held by:						
United States Treasury	7,535				7,535	
Federal agencies [6]	4,225	2,487	1,191	1,296	1,330	408
Federal trust funds [7]	11,300	402	43	358	436	10,463
Federal Reserve Banks	7,202	1,629	306	1,323	5,574	
State and local sinking funds	1,819	1,550	1,475	75	269	
State and local trust and investment funds	3,329	2,609	2,400	209	720	
Territorial and insular sinking, trust, and investment funds	31	31	24	8		
Total securities held by governmental funds and Federal Reserve Banks	35,442	8,708	5,439	3,269	15,863	10,871
Total privately held securities	131,970	46,632	17,631	29,002	85,337	
Securities of the United States Government: [8]						
Total amount outstanding	135,380	32,672	3,050	29,622	91,837	10,871
Less securities held by:						
Federal agencies [6]	2,834	1,318	34	1,283	1,108	408
Federal trust funds [7]	11,256	358	(*)	358	436	10,463
Federal Reserve Banks	7,149	1,598	306	1,292	5,551	
State and local sinking funds	344	75		75	269	
State and local trust and investment funds	929	209		209	720	
Territorial and insular sinking, trust, and investment funds	8	8		8		
Total securities held by governmental funds and Federal Reserve Banks	22,520	3,565	340	3,225	8,083	10,871
Total privately held securities	112,861	29,107	2,710	26,397	83,754	
Securities of Federal instrumentalities guaranteed by the United States Government: [8] [9]						
Total amount outstanding	11,635	2,601	8	2,593	9,034	
Less securities held by:						
United States Treasury	7,535				7,535	
Federal agencies and trust funds [6] [7]	240	21	8	13	219	
Federal Reserve Banks	54	31		31	23	
Total securities held by governmental funds and Federal Reserve Banks	7,829	52	8	44	7,777	
Total privately held securities	3,806	2,549		2,549	1,257	
Securities of Federal instrumentalities not guaranteed by the United States Government: [10]						
Total amount outstanding	1,852	1,523	1,467	55	329	
Less securities held by:						
Federal agencies	517	514	514		3	
Federal trust funds	43	43	43			
Total securities held by governmental funds	560	557	557		3	
Total privately held securities	1,292	965	910	55	326	

Footnotes at end of table.

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TABLE 98.—*Estimated amount of interest-bearing securities issued by all governmental units in the United States outstanding on June 30, 1943, classified by tax status and by type of issuer* [1]—Continued.

[Par value.[2] In millions of dollars]

	Total all securities	Tax-exempt			Taxable [5]	U. S. Government special issues to Federal agencies and trust funds
		Total	Wholly [3]	Partially [4]		
Securities of State and local governments:						
Total amount outstanding	18,406	18,406	18,406			
Less securities held by:						
Federal agencies	634	634	634			
State and local sinking funds	1,475	1,475	1,475			
State and local trust and investment funds	2,400	2,400	2,400			
Total securities held by governmental funds	4,509	4,509	4,509			
Total privately held securities	13,897	13,897	13,897			
Securities of Territories and possessions:						
Total amount outstanding	138	138	138			
Less securities held by:						
Territorial and insular sinking funds	24	24	24			
Total privately held securities	114	114	114			

NOTE.—Figures are rounded to nearest million and will not necessarily add to totals.

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 in certain recent years by the Division of Territories and Island Possessions of the Department of the Interior. No information has been received since June 30, 1942, on changes in the total amount outstanding of interest-bearing securities of the territories and possessions or on changes in the holdings of specified funds of the Territories and possessions since that date. All of the June 30, 1942, estimates relating to the Territories and possessions have accordingly been retained for June 30, 1943.

*Less than $500,000.

[1] See footnote 1 on p. 762.

[2] In the case of data which include United States savings bonds, the figures for these bonds represent current redemption values.

[3] Securities the income from which is exempt from both the normal rates and surtax rates of the Federal income tax.

[4] Securities the income from which is exempt only from the normal rates of the Federal income tax. In the case of partially tax-exempt (1) Treasury bonds and (2) United States savings bonds, interest derived from $5,000 aggregate principal amount owned by any one holder is exempt from the surtax rates as well as the normal rates of the Federal income tax.

[5] Securities the income from which is subject to both the normal rates and the surtax rates of the Federal income tax.

[6] Includes exchange stabilization fund.

[7] Includes individual Indian trust funds.

[8] On basis of daily Treasury statement.

[9] See footnote 4 on p. 762.

[10] See footnote 5 on p. 763.

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TABLE 99.—*Estimated amount of interest-bearing securities issued by all governments classified by tax status*

[Par value.[2] In

June 30—	Grand total						U. S. Government [3]				
	Total	Tax-exempt			Taxable [5]	U. S. Government special issues to Federal agencies and trust funds	Total	Tax-exempt		Taxable [5]	Special issues to Federal agencies and trust funds
		Total	Wholly [6]	Partially [7]				Wholly [6]	Partially [7]		
	A. TOTAL AMOUNT										
1913	5,531	5,531	5,531				966	966			
1914	5,954	5,954	5,954				968	968			
1915	6,427	6,427	6,427				970	970			
1916	6,887	6,887	6,887				972	972			
1917	9,049	9,049	9,049				2,713	2,713			
1918	18,786	18,786	9,187	9,599			11,986	2,387	9,599		
1919	32,751	32,751	10,159	22,593			25,202	2,796	22,407		
1920	32,257	32,257	11,308	20,949			24,061	3,112	20,949		
1921	32,724	32,724	11,922	20,803			23,737	2,935	20,803		
1922	33,411	33,411	12,994	20,417			22,711	2,294	20,417		
1923	33,788	33,788	14,074	19,714			22,008	2,294	19,714		
1924	33,978	33,978	15,290	18,688			20,982	2,294	18,688		
1925	34,681	34,586	16,645	17,941		95	20,211	2,175	17,941		95
1926	34,856	34,652	17,636	17,016		204	19,384	2,164	17,016		204
1927	34,973	34,574	18,846	15,728		359	18,251	2,164	15,728		359
1928	35,044	34,582	19,892	14,690		462	17,318	2,166	14,690		462
1929	35,428	34,821	20,957	13,864		607	16,639	2,168	13,864		607
1930	35,943	35,179	23,606	11,573		764	15,922	3,585	11,573		764
1931	37,626	37,335	25,521	11,814		291	16,519	4,414	11,814		291
1932	40,782	40,473	28,055	12,418		309	19,162	6,785	12,068		309
1933	45,109	44,786	31,176	13,610		323	22,158	9,810	12,025		323
1934	52,136	51,740	32,958	18,782		396	26,429	11,798	14,235		396
1935	56,850	56,217	34,447	21,770		633	27,557	12,932	13,992		633
1936	63,180	62,553	36,321	26,232	1	626	32,756	14,646	17,484		626
1937	65,653	64,092	35,034	29,058	3	1,558	35,803	13,507	20,738		1,558
1938	63,889	61,207	32,283	28,924	6	2,676	36,579	10,816	23,087		2,676
1939	67,665	63,885	30,896	32,989	10	3,770	39,892	9,030	27,092		3,770
1940	70,233	65,391	30,248	35,143	67	4,775	42,380	8,142	29,463		4,775
1941	77,282	62,863	26,832	36,031	8,299	6,120	48,405	4,904	30,160	7,221	6,120
1942	102,404	58,601	25,506	33,095	35,918	7,885	72,041	4,260	30,071	29,825	7,885
1943	167,411	55,340	23,070	32,270	101,200	10,871	135,380	3,050	29,622	91,837	10,871

Footnotes on p. 762.

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mental units in the United States outstanding on June 30, 1913 through 1943, classi- and by type of issuer [1]

millions of dollars]

Federal instrumentalities: Guaranteed issues [3 4]				Federal instrumentalities: Non-guaranteed issues [5]				State, local, and territorial governments		
	Tax-exempt				Tax-exempt			Wholly tax-exempt [6]		
Total	Wholly [6]	Partially [7]	Taxable [8]	Total	Wholly [6]	Partially [7]	Taxable [8]	Total	Issues of States and localities	Issues of Territories and possessions
OUTSTANDING										
								4,565	4,528	37
								4,986	4,949	37
								5,457	5,417	40
								5,915	5,875	40
								6,336	6,290	46
				111	111			6,689	6,643	46
				460	274	186		7,089	7,042	47
				401	401			7,795	7,746	49
				450	450			8,537	8,476	61
				730	730			9,970	9,893	77
				1,062	1,062			10,718	10,598	120
				1,231	1,231			11,765	11,633	132
				1,506	1,506			12,964	12,830	134
				1,659	1,659			13,813	13,664	149
				1,789	1,789			14,893	14,735	158
				1,866	1,866			15,860	15,699	161
				1,867	1,867			16,922	16,760	162
				1,871	1,871			18,150	17,985	165
				1,885	1,885			19,222	19,060	162
350		350		1,780	1,780			19,490	19,330	160
1,585		1,585		1,694	1,694			19,672	19,517	155
4,547		4,547		2,187	2,187			18,973	18,823	150
7,778		7,778		2,399	2,399			19,116	18,972	144
8,748		8,748		2,319	2,318		1	19,357	19,212	145
8,295		8,295		2,257	2,229	25	3	19,298	19,152	146
5,732		5,731	1	2,262	2,151	106	5	19,316	19,170	146
5,732	8	5,722	2	2,265	2,082	175	8	19,776	19,626	150
5,610	8	5,546	56	2,199	2,054	134	11	20,044	19,891	153
6,670	8	5,710	952	2,200	1,913	161	126	20,007	19,860	147
8,636	8	2,915	5,713	2,210	1,721	109	380	19,517	19,379	138
11,635	8	2,593	9,034	1,852	1,467	55	329	18,544	18,406	[9] 138

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TABLE 99.—*Estimated amount of interest-bearing securities issued by all governments, classified by tax status and by*

[Par value.[2] In

June 30—	Grand total						U. S. Government [3]				
		Tax-exempt			Taxable [5]	U. S. Government special issues to Federal agencies and trust funds		Tax-exempt		Taxable [5]	Special issues to Federal agencies and trust funds
	Total	Total	Wholly [6]	Partially [7]			Total	Wholly [6]	Partially [7]		
[4]											
						B. HELD BY UNITED STATES TREASURY, FEDERAL					
1913											
1914	1	1	1				1	1			
1915	1	1	1				1	1			
1916	2	2	2				2	2			
1917	2	2	2				2	2			
1918	148	148	61	87			91	4	87		
1919	616	616	142	474			479	5	474		
1920	411	411	173	238			245	7	238		
1921	542	542	191	351			358	8	351		
1922	571	571	147	424			432	8	424		
1923	521	521	111	410			419	9	410		
1924	497	497	113	384			394	10	384		
1925	651	556	132	424		95	530	10	424		95
1926	789	585	141	444		204	658	10	444		204
1927	863	504	114	390		359	759	10	390		359
1928	957	495	115	380		462	853	11	380		462
1929	1,021	414	116	298		607	916	11	298		607
1930	1,108	344	152	192		764	1,001	45	192		764
1931	571	280	137	143		291	464	30	143		291
1932	1,058	749	125	624		309	601	18	274		309
1933	2,401	2,078	208	1,870		323	684	76	285		323
1934	5,186	4,790	675	4,115		396	1,325	205	724		396
1935	6,946	6,313	1,413	4,900		633	1,649	139	877		633
1936	7,708	7,082	1,485	5,597		626	1,952	144	1,182		626
1937	8,608	7,050	1,476	5,574		1,558	3,252	113	1,581		1,558
1938	7,051	4,375	1,483	2,892		2,676	4,462	98	1,688		2,676
1939	7,438	3,667	1,364	2,303	1	3,770	5,600	86	1,744		3,770
1940	8,516	3,688	1,417	2,271	53	4,775	6,803	86	1,942		4,775
1941	10,315	3,725	1,571	2,154	470	6,120	8,225	58	1,887	160	6,120
1942	16,268	3,633	1,603	2,030	4,750	7,885	10,340	53	1,800	602	7,885
1943	23,060	2,889	1,234	1,654	9,301	10,871	14,091	34	1,641	1,544	10,871

Footnotes on p. 762.

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Federal Reserve Bank of St. Louis

mental units in the United States outstanding on June 30, 1913 through 1943, classi-type of issuer [1]—Continued

millions of dollars]

Federal instrumentalities: Guaranteed issues [3] [4]				Federal instrumentalities: Non-guaranteed issues [5]				State, local, and territorial governments		
	Tax-exempt				Tax-exempt			Wholly tax-exempt [6]		
Total	Wholly [6]	Partially [7]	Taxable [8]	Total	Wholly [6]	Partially [7]	Taxable [8]	Total	Issues of States and localities	Issues of Territories and possessions
AGENCIES, AND FEDERAL TRUST FUNDS [10]										
				57	57					
				137	137					
				166	166					
				183	183					
				139	139					
				102	102					
				103	103					
				122	122					
				131	131					
				104	104					
				104	104					
				105	105					
				106	106			1	1	
				106	106			1	1	
350		350		106	106			1	1	
1,585		1,585		106	106			26	26	
3,391		3,391		317	317			153	153	
4,023		4,023		928	928			346	346	
4,415		4,415		919	919			422	422	
3,993		3,993		835	835			528	528	
1,204		1,204		847	847			538	538	
568	8	559	1	844	844			426	426	
390	8	329	53	844	844			479	479	
579	8	267	304	814	808		6	697	697	
4,369	8	230	4,131	824	807		17	735	735	
7,775	8	13	7,754	560	557		3	634	634	

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TABLE 99.—*Estimated amount of interest-bearing securities issued by all governmental tax status and by*

[Par value.[2] In millions

June 30—	Total	U. S. Government				Federal instrumentalities: Guaranteed issues		
		Total	Wholly tax-exempt[6]	Partially tax-exempt[7]	Taxable[8]	Total	Partially tax-exempt[7]	Taxable[8]
C. HELD BY FEDERAL RESERVE BANKS								
1913								
1914								
1915	8	8	8					
1916	57	57	57					
1917	66	66	66					
1918	255	255	58	197				
1919	292	292	25	267				
1920	341	341	25	316				
1921	259	259	22	237				
1922	555	555	17	538				
1923	102	102	12	90				
1924	431	431	6	425				
1925	353	353	3	350				
1926	385	385	3	382				
1927	370	370	3	367				
1928	235	235	3	232				
1929	216	216	3	213				
1930	591	591	301	290				
1931	668	668	451	217				
1932	1,784	1,784	1,422	362				
1933	1,998	1,998	1,582	416				
1934	2,432	2,432	1,990	442				
1935	2,433	2,433	2,143	290				
1936	2,430	2,430	2,115	315				
1937	2,526	2,526	1,794	732				
1938	2,564	2,564	1,820	744				
1939	2,551	2,551	1,640	911				
1940	2,467	2,458	1,128	1,330		9	9	
1941	2,184	2,179	775	1,208	196	5	5	
1942	2,645	2,640	634	1,179	827	5	2	3
[a]	7,202	7,149	306	1,292	5,551	54	31	23

Footnotes on p. 762

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Federal Reserve Bank of St. Louis

units in the United States outstanding on June 30, 1913 through 1943, classified by type of issuer [1]—Continued

of dollars]

June 30—	Total	U. S. Government			States, counties, cities, etc. (wholly tax-exempt) [6]	Territories and possessions (wholly tax-exempt) [6]
		Total	Partially tax-exempt [7]	Taxable [8]		
D. HELD IN SINKING FUNDS OF STATES, LOCALITIES, TERRITORIES, AND POSSESSIONS						
1913	621				620	1
1914	670				669	1
1915	736				735	1
1916	794				793	1
1917	861				860	1
1918	950				949	1
1919	1,053				1,052	1
1920	1,081				1,080	1
1921	1,094				1,090	4
1922	1,329				1,328	1
1923	1,508				1,506	2
1924	1,634				1,627	7
1925	1,762				1,753	9
1926	1,904				1,889	15
1927	2,037				2,020	17
1928	2,151				2,139	12
1929	2,296				2,281	15
1930	2,431				2,418	13
1931	2,155				2,141	14
1932	1,472	50	50		1,399	23
1933	1,492	51	51		1,417	24
1934	1,513	52	52		1,436	25
1935	1,534	54	54		1,454	26
1936	1,554	55	55		1,473	26
1937	1,578	61	61		1,491	26
1938	1,583	59	59		1,501	23
1939	1,612	61	61		1,530	21
1940	1,637	77	77		1,535	25
1941	1,680	108	108		1,549	23
1942	1,700	151	91	60	1,525	24
1943	1,844	345	76	269	1,475	[9] 24
E. HELD IN TRUST AND INVESTMENT FUNDS OF STATES, LOCALITIES, TERRITORIES, AND POSSESSIONS [11]						
1937	2,479	200	200		2,279	
1938	2,603	210	210		2,393	
1939	2,742	221	221		2,513	8
1940	2,768	259	259		2,500	9
1941	2,808	284	284		2,520	4
1942	3,046	471	256	215	2,575	
1943	3,335	935	215	720	2,400	

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TABLE 99.—*Estimated amount of interest-bearing securities issued by all governmental tax status and*

[Par value.[2] In millions

June 30—	Grand total						U. S. Government[3]				
	Total	Tax-exempt			Taxable[8]	U. S. Government special issues to Federal agencies and trust funds	Total	Tax-exempt		Taxable[8]	Special issues to Federal agencies and trust funds
		Total	Wholly[6]	Partially[7]				Wholly[6]	Partially[7]		
	F. TOTAL AMOUNT HELD BY										
	1. 1913–36: EXCLUDES HOLDINGS BY TRUST AND INVESTMENT FUNDS										
1913	621	621	621								
1914	671	671	671				1	1			
1915	745	745	745				9	9			
1916	853	853	853				59	59			
1917	929	929	929				68	68			
1918	1,353	1,353	1,069	284			346	62	284		
1919	1,961	1,961	1,220	741			771	30	741		
1920	1,833	1,833	1,279	554			586	32	554		
1921	1,895	1,895	1,307	588			617	30	588		
1922	2,455	2,455	1,493	962			987	25	962		
1923	2,131	2,131	1,631	500			521	21	500		
1924	2,562	2,562	1,753	809			825	16	809		
1925	2,766	2,671	1,897	774		95	883	13	774		95
1926	3,078	2,874	2,048	826		204	1,043	13	826		204
1927	3,270	2,911	2,154	757		359	1,129	13	757		359
1928	3,343	2,881	2,269	612		462	1,088	14	612		462
1929	3,533	2,926	2,415	511		607	1,132	14	511		607
1930	4,130	3,366	2,884	482		764	1,592	346	482		764
1931	3,394	3,103	2,743	360		291	1,132	481	360		291
1932	4,314	4,005	2,969	1,036		309	2,435	1,440	686		309
1933	5,891	5,568	3,231	2,337		323	2,733	1,658	752		323
1934	9,131	8,735	4,126	4,609		396	3,809	2,195	1,213		396
1935	10,913	10,280	5,036	5,244		633	4,136	2,282	1,221		633
1936	11,692	11,066	5,099	5,967		626	4,437	2,259	1,552		626
	2. 1937–43: INCLUDES HOLDINGS BY TRUST AND INVESTMENT FUNDS										
1937	15,191	13,633	7,066	6,567		1,558	6,039	1,907	2,574		1,558
1938	13,801	11,125	7,220	3,905		2,676	7,295	1,918	2,701		2,676
1939	14,343	10,572	7,076	3,496	1	3,770	8,433	1,726	2,937		3,770
1940	15,388	10,560	6,614	3,946	53	4,775	9,597	1,214	3,608		4,775
1941	16,987	10,201	6,442	3,759	666	6,120	10,796	833	3,487	356	6,120
1942	23,659	9,919	6,361	3,558	5,855	7,885	13,602	687	3,326	1,704	7,885
1943	35,442	8,708	5,439	3,269	15,863	10,871	22,520	340	3,225	8,083	10,871

Footnotes on p. 762.

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Federal Reserve Bank of St. Louis

units in the United States outstanding on June 30, 1913 through 1943, classified by by type of issuer [1]—Continued

of dollars]

Federal instrumentalities: Guaranteed issues [3] [4]				Federal instrumentalities: Non-guaranteed issues [5]				State, local, and territorial governments		
	Tax-exempt				Tax-exempt			Wholly tax-exempt [6]		
Total	Wholly [6]	Partially [7]	Taxable [8]	Total	Wholly [6]	Partially [7]	Taxable [8]	Total	Issues of States and localities	Issues of Territories and possessions
GOVERNMENTAL FUNDS AND FEDERAL RESERVE BANKS										
OF STATES, LOCALITIES, TERRITORIES, AND POSSESSIONS										
----------	----------	----------	----------	----------	----------	----------	----------	621	620	1
----------	----------	----------	----------	----------	----------	----------	----------	670	669	1
----------	----------	----------	----------	----------	----------	----------	----------	736	735	1
----------	----------	----------	----------	----------	----------	----------	----------	794	793	1
----------	----------	----------	----------	----------	----------	----------	----------	861	860	1
----------	----------	----------	----------	57	57	----------	----------	950	949	1
----------	----------	----------	----------	137	137	----------	----------	1,053	1,052	1
----------	----------	----------	----------	166	166	----------	----------	1,081	1,080	1
----------	----------	----------	----------	183	183	----------	----------	1,094	1,090	4
----------	----------	----------	----------	139	139	----------	----------	1,329	1,328	1
----------	----------	----------	----------	102	102	----------	----------	1,508	1,506	2
----------	----------	----------	----------	103	103	----------	----------	1,634	1,627	7
----------	----------	----------	----------	122	122	----------	----------	1,762	1,753	9
----------	----------	----------	----------	131	131	----------	----------	1,904	1,889	15
----------	----------	----------	----------	104	104	----------	----------	2,037	2,020	17
----------	----------	----------	----------	104	104	----------	----------	2,151	2,139	12
----------	----------	----------	----------	105	105	----------	----------	2,296	2,281	15
----------	----------	----------	----------	106	106	----------	----------	2,432	2,419	13
----------	----------	----------	----------	106	106	----------	----------	2,156	2,142	14
350	----------	350	----------	106	106	----------	----------	1,423	1,400	23
1,585	----------	1,585	----------	106	106	----------	----------	1,467	1,443	24
3,391	----------	3,391	----------	317	317	----------	----------	1,614	1,589	25
4,023	----------	4,023	----------	928	928	----------	----------	1,826	1,800	26
4,415	----------	4,415	----------	919	919	----------	----------	1,921	1,895	26
OF STATES, LOCALITIES, TERRITORIES, AND POSSESSIONS										
3,993	----------	3,993	----------	835	835	----------	----------	4,324	4,298	26
1,204	----------	1,204	----------	847	847	----------	----------	4,455	4,432	23
568	8	559	1	844	844	----------	----------	4,498	4,469	29
399	8	338	53	844	844	----------	----------	4,548	4,514	34
584	8	272	304	814	808	----------	6	4,793	4,766	27
4,374	8	232	4,134	824	807	----------	17	4,859	4,835	24
7,829	8	44	7,777	560	557	----------	3	4,533	4,509	[9] 24

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TABLE 99.—*Estimated amount of interest-bearing securities issued by all governmental tax status and by*

[Par value.[2] In

June 30—	Grand total						U. S. Government				
		Tax-exempt			Taxable [3]	U. S. Government special issues to Federal agencies and trust funds		Tax-exempt		Taxable [3]	Special issues to Federal agencies and trust funds
	Total	Total	Wholly [6]	Partially [7]			Total	Wholly [6]	Partially [7]		
							G. PRIVATELY				
							1. 1913-36: INCLUDES HOLDINGS BY TRUST AND INVESTMENT FUNDS				
1913	4,910	4,910	4,910				966	966			
1914	5,283	5,283	5,283				967	967			
1915	5,682	5,682	5,682				961	961			
1916	6,034	6,034	6,034				913	913			
1917	8,120	8,120	8,120				2,645	2,645			
1918	17,433	17,433	8,118	9,315			11,640	2,325	9,315		
1919	30,790	30,790	8,939	21,852			24,431	2,766	21,666		
1920	30,424	30,424	10,029	20,395			23,475	3,080	20,395		
1921	30,830	30,830	10,615	20,215			23,120	2,905	20,215		
1922	30,956	30,956	11,501	19,455			21,724	2,269	19,455		
1923	31,657	31,657	12,443	19,214			21,487	2,273	19,214		
1924	31,416	31,416	13,537	17,879			20,157	2,278	17,879		
1925	31,915	31,915	14,748	17,167			19,328	2,162	17,167		
1926	31,778	31,778	15,588	16,190			18,341	2,151	16,190		
1927	31,663	31,663	16,692	14,971			17,122	2,151	14,971		
1928	31,701	31,701	17,623	14,078			16,230	2,152	14,078		
1929	31,895	31,895	18,542	13,353			15,507	2,154	13,353		
1930	31,813	31,813	20,722	11,091			14,330	3,239	11,091		
1931	34,232	34,232	22,778	11,454			15,387	3,933	11,454		
1932	36,468	36,468	25,086	11,382			16,727	5,345	11,382		
1933	39,218	39,218	27,945	11,273			19,425	8,152	11,273		
1934	43,005	43,005	28,832	14,173			22,620	9,603	13,017		
1935	45,937	45,937	29,411	16,526			23,421	10,650	12,771		
1936	51,488	51,487	31,222	20,265	1		28,319	12,387	15,932		
							2. 1937-42: EXCLUDES HOLDINGS BY TRUST AND INVESTMENT FUNDS				
1937	50,462	50,459	27,968	22,491	3		29,764	11,600	18,164		
1938	50,088	50,082	25,063	25,019	6		29,284	8,898	20,386		
1939	53,322	53,313	23,820	29,493	9		31,459	7,304	24,155		
1940	54,845	54,831	23,634	31,197	14		32,783	6,928	25,855		
1941	60,295	52,662	20,390	32,272	7,633		37,609	4,071	26,673	6,865	
1942	78,745	48,682	19,145	29,537	30,063		58,439	3,573	26,745	28,121	
1943	131,970	46,632	17,631	29,002	85,337		112,861	2,710	26,397	83,754	

NOTE.—Figures are rounded to nearest million and will not necessarily add to totals.

[1] The "total amount outstanding" of securities of the several issuers differs from the gross indebtedness of these issuers in that the former excludes noninterest-bearing debt. 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 securities outstanding the amount of all securities held by the United States Treasury, 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] In the case of data which include United States savings bonds, the figures for these bonds represent current redemption values.

[3] Data for June 30, 1943, on daily Treasury statement basis; data for prior years on public debt accounts basis.

[4] Guaranteed securities consist of Commodity Credit Corporation notes, Home Owners' Loan Corporation bonds (including those guaranteed as to interest only), Reconstruction Finance Corporation notes, Tennessee Valley Authority bonds (including certain bonds issued "on credit of the United States"), Federal Public Housing Authority (formerly United States Housing Authority) notes, Federal Farm Mortgage Corporation bonds, and Federal Housing Administration debentures. Includes securities of Federal instrumentalities issued directly to and held by the Treasury; excludes stocks and interagency loans.

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units in the United States outstanding on June 30, 1913 through 1943, classified by type of issuer[1]—Continued

millions of dollars]

Federal instrumentalities: Guaranteed issues				Federal instrumentalities: Non-guaranteed issues				State, local, and territorial governments		
	Tax-exempt				Tax-exempt			Wholly tax-exempt[6]		
Total	Wholly[6]	Partially[7]	Taxable[8]	Total	Wholly[6]	Partially[7]	Taxable[8]	Total	Issues of States and localities	Issues of Territories and possessions
HELD SECURITIES										
OF STATES, LOCALITIES, TERRITORIES, AND POSSESSIONS										
------	------	------	------	------	------	------	------	3,944	3,908	36
------	------	------	------	------	------	------	------	4,316	4,280	36
------	------	------	------	------	------	------	------	4,721	4,682	39
------	------	------	------	------	------	------	------	5,121	5,082	39
------	------	------	------	------	------	------	------	5,475	5,430	45
------	------	------	------	54	54	------	------	5,739	5,694	45
------	------	------	------	323	137	186	------	6,036	5,990	46
------	------	------	------	235	235	------	------	6,714	6,666	48
------	------	------	------	267	267	------	------	7,443	7,386	57
------	------	------	------	591	591	------	------	8,641	8,565	76
------	------	------	------	960	960	------	------	9,210	9,092	118
------	------	------	------	1,128	1,128	------	------	10,131	10,006	125
------	------	------	------	1,384	1,384	------	------	11,202	11,077	125
------	------	------	------	1,528	1,528	------	------	11,909	11,775	134
------	------	------	------	1,685	1,685	------	------	12,856	12,715	141
------	------	------	------	1,762	1,762	------	------	13,709	13,560	149
------	------	------	------	1,762	1,762	------	------	14,626	14,479	147
------	------	------	------	1,765	1,765	------	------	15,718	15,566	152
------	------	------	------	1,779	1,779	------	------	17,066	16,918	148
------	------	------	------	1,674	1,674	------	------	18,067	17,930	137
------	------	------	------	1,588	1,588	------	------	18,205	18,074	131
1,156	------	1,156	------	1,870	1,870	------	------	17,359	17,234	125
3,755	------	3,755	------	1,471	1,471	------	------	17,290	17,172	118
4,333	------	4,333	------	1,400	1,399	------	1	17,436	17,317	119
OF STATES, LOCALITIES, TERRITORIES, AND POSSESSIONS										
4,302	------	4,302	------	1,422	1,394	25	3	14,974	14,854	120
4,528	------	4,527	1	1,415	1,304	106	5	14,861	14,738	123
5,164	------	5,163	1	1,421	1,238	175	8	15,278	15,157	121
5,211	------	5,208	3	1,355	1,210	134	11	15,496	15,377	119
6,086	------	5,438	648	1,386	1,105	161	120	15,214	15,094	120
4,262	------	2,683	1,579	1,386	914	109	363	14,658	14,544	114
3,806	------	2,549	1,257	1,292	910	55	326	14,011	13,897	[9] 114

[5] Includes Electric Home and Farm Authority notes, Federal intermediate credit bank debentures, Federal land bank bonds (both those issued by the individual banks and the consolidated series), Federal National Mortgage Association notes, home loan bank debentures, War Finance Corporation bonds (World War I), and joint stock land bank bonds. Excludes stocks and interagency loans.

[6] See footnote 3 on p. 753.

[7] See footnote 4 on p. 753.

[8] See footnote 5 on p. 753.

[9] No information is available on changes since June 30, 1942, in the total amount outstanding of interest-bearing securities of the Territories and possessions or on changes in the holdings of specified funds of the Territories and possessions since that date. All of the June 30, 1942, estimates relating to the Territories and possessions have accordingly been retained for June 30, 1943.

[10] Excludes Federal Reserve Banks. Includes individual Indian trust funds and securities held by the exchange stabilization fund.

[11] Data for earlier years not available.

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BUDGET ESTIMATES

TABLE 100.—*Receipts and expenditures of general and special accounts, actual for the fiscal year 1943 and estimated for the fiscal years 1944 and 1945, in detail*

[Estimates on basis of 1945 Budget]

General and special accounts	Estimated, 1945	Estimated, 1944	Actual, 1943 [1]
RECEIPTS			
1. Internal revenue:			
(1) Income and excess profits taxes:			
Individual:			
Current:			
Collections of withholdings:			
Revenue Act of 1942	----------	$781,100,000	$686,015,010.47
Current Tax Payment Act of 1943:			
Collections by Bureau of Internal Revenue	$7,722,100,000	6,642,300,000	----------
Collections through Government depositaries, not yet received by Bureau of Internal Revenue	1,335,900,000	1,355,900,000	----------
Total collections of withholdings	9,058,000,000	8,779,300,000	686,015,010.47
Income tax not withheld:			
Collections by Bureau of Internal Revenue	8,229,800,000	9,837,800,000	5,771,000,639.99
Adjustment to daily Treasury statement basis [2]	----------	----------	[3] −124,978,510.42
Total income tax not withheld	8,229,800,000	9,837,800,000	5,646,022,129.57
Total current individual income tax	17,287,800,000	18,617,100,000	6,332,037,140.04
Back taxes	305,000,000	300,000,000	172,916,338.60
Total individual income tax	17,592,800,000	18,917,100,000	6,504,953,478.64
Corporation:			
Current:			
Income	5,288,500,000	4,979,900,000	4,136,966,548.42
Excess profits	8,377,800,000	7,566,600,000	4,843,968,210.72
Declared value excess profits tax [4]	103,800,000	100,000,000	82,432,484.84
Adjustment to daily Treasury statement basis [2]	----------	----------	[3] −80,240,800.00
Total current corporation	13,770,100,000	12,646,500,000	8,983,126,443.98
Back:			
Income	522,600,000	464,800,000	383,885,161.46
Excess profits	717,900,000	642,700,000	219,895,403.01
Unjust enrichment	1,500,000	1,500,000	1,808,294.05
Total back corporation	1,242,000,000	1,109,000,000	605,588,858.52
Total corporation	15,012,100,000	13,755,500,000	9,588,715,302.50
Total income and excess profits taxes	32,604,900,000	32,672,600,000	16,093,668,781.14
(2) Miscellaneous internal revenue:			
Capital stock tax	393,800,000	382,900,000	328,794,970.85
Estate tax	474,600,000	460,700,000	414,530,598.81
Gift tax	45,700,000	44,800,000	32,965,078.68
Liquor taxes:			
Distilled spirits (domestic and imported) (excise tax) [5]	906,000,000	897,000,000	781,706,756.80
Fermented malt liquors [5]	502,900,000	509,900,000	455,634,420.81
Rectification tax [5]	14,300,000	15,800,000	18,836,378.30
Wines (domestic and imported) (excise tax) [5]	36,600,000	36,600,000	33,663,336.99
Special taxes in connection with liquor occupations	10,200,000	10,300,000	10,245,965.83
Container stamps	10,500,000	10,400,000	10,549,098.15
Floor stocks taxes	100,000	27,700,000	111,538,926.27
All other	1,600,000	1,500,000	1,299,365.62
Total liquor taxes	1,482,200,000	1,509,200,000	1,423,474,248.77

Footnotes at end of table.

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Federal Reserve Bank of St. Louis

TABLE 100.—*Receipts and expenditures of general and special accounts, actual for the fiscal year 1943 and estimated for the fiscal years 1944 and 1945, in detail*—Continued.

General and special accounts	Estimated, 1945	Estimated, 1944	Actual, 1943 [1]
RECEIPTS—Continued			
1. Internal revenue—Continued.			
(2) Miscellaneous internal revenue—Con.			
Tobacco taxes:			
Cigarettes (small) [5]	$878,500,000	$904,000,000	$835,230,743.35
Tobacco (chewing and smoking) [5]	45,400,000	45,200,000	47,849,119.88
Cigars (large) [5]	40,500,000	29,800,000	23,075,077.23
Snuff	7,600,000	7,600,000	7,543,283.33
Cigarette papers and tubes	1,500,000	1,500,000	1,472,325.92
All other [5]	160,000	160,000	130,483.78
Total tobacco taxes	973,660,000	988,260,000	915,301,033.49
Stamp taxes:			
Issues of securities, bond transfers, and deeds of conveyance	34,200,000	29,200,000	21,765,731.77
Stock transfers	19,100,000	19,900,000	15,584,590.89
Playing cards [5]	5,200,000	6,300,000	7,693,909.12
Silver bullion sales or transfers	50,000	50,000	111,053.89
Total stamp taxes	58,550,000	55,450,000	45,155,285.67
Manufacturers' excise taxes:			
Gasoline	260,400,000	273,200,000	288,785,826.00
Lubricating oils	51,900,000	52,600,000	43,318,312.71
Passenger automobiles and motorcycles	500,000	1,200,000	1,424,230.26
Automobile trucks, busses, and trailers	7,500,000	2,400,000	4,229,689.98
Parts and accessories for automobiles	30,000,000	28,000,000	20,478,407.66
Tires and inner tubes	72,000,000	42,000,000	18,280,212.94
Electrical energy	49,700,000	49,700,000	48,705,138.94
Electric, gas, and oil appliances	6,200,000	4,300,000	6,912,969.83
Electric light bulbs	3,300,000	2,200,000	3,657,242.89
Radio receiving sets, phonographs, phonograph records, and musical instruments	3,900,000	5,900,000	8,657,239.47
Refrigerators, refrigerating apparatus, and air-conditioners	1,900,000	2,500,000	5,965,909.34
Business and store machines	4,300,000	3,300,000	6,461,448.00
Photographic apparatus	14,700,000	12,000,000	11,164,427.06
Matches	9,600,000	9,500,000	9,366,718.27
Luggage	5,000,000	5,200,000	5,681,525.65
Sporting goods	3,000,000	2,600,000	4,067,598.02
Total manufacturers' excise taxes	523,900,000	496,600,000	487,156,897.02
Retailers' excise taxes:			
Jewelry, etc	105,100,000	102,500,000	88,365,799.04
Furs	46,200,000	46,200,000	44,222,755.27
Toilet preparations	32,700,000	34,900,000	32,677,315.04
Total retailers' excise taxes	184,000,000	183,600,000	165,265,869.35
Miscellaneous taxes:			
Telephone, telegraph, radio and cable facilities, leased wires, etc	134,100,000	134,600,000	91,174,496.27
Telephone bill	92,500,000	90,200,000	66,986,794.12
Transportation of oil by pipe line	14,900,000	14,500,000	13,672,086.80
Transportation of persons	183,800,000	171,000,000	87,131,734.00
Transportation of property	188,000,000	205,000,000	82,556,148.08
Admissions	183,400,000	179,200,000	154,450,722.80
Club dues and initiation fees	6,600,000	6,600,000	6,519,891.02
Leases of safe deposit boxes	6,600,000	6,400,000	6,070,096.08
Use of motor vehicles and boats	122,400,000	134,500,000	146,667,201.52
Coconut and other vegetable oils processed [5]	4,300,000	3,900,000	1,939,099.03
Oleomargarine, etc., including special taxes and adulterated butter	3,800,000	3,600,000	2,679,450.63
Sugar tax	69,300,000	67,000,000	53,551,776.72
Coin-operated amusement and gaming devices	14,900,000	17,500,000	10,487,104.00

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Federal Reserve Bank of St. Louis

TABLE 100.—*Receipts and expenditures of general and special accounts, actual for the fiscal year 1943 and estimated for the fiscal years 1944 and 1945, in detail*—Continued

General and special accounts	Estimated, 1945	Estimated, 1944	Actual, 1943 [1]
RECEIPTS—Continued			
1. Internal revenue—Continued.			
(2) Miscellaneous internal revenue—Con.			
Miscellaneous taxes—Continued.			
Bowling alleys and billiard and pool tables	$1,800,000	$1,800,000	$1,852,664.62
All other, including repealed taxes [6]	1,300,000	3,400,000	31,536,847.02
Total miscellaneous taxes	1,027,700,000	1,039,200,000	757,276,112.71
Total miscellaneous internal revenue (collection basis)	5,164,110,000	5,160,710,000	4,569,920,095.35
Adjustment to daily Treasury statement basis			−18,481,343.19
Total miscellaneous internal revenue (daily Treasury statement basis) [8]	5,164,110,000	5,160,710,000	4,551,438,752.16
(3) Employment taxes:			
Taxes on employment by other than carriers:			
Federal Insurance Contributions Act	2,687,600,000	[7] 1,422,500,000	1,130,495,200.70
Federal Unemployment Tax Act	203,800,000	191,400,000	158,360,527.25
Total	2,891,400,000	1,613,900,000	1,288,855,727.95
Taxes on carriers and their employees (ch. 9, subch. B of the Internal Revenue Code)	277,400,000	256,100,000	208,794,892.19
Total employment taxes	3,168,800,000	1,870,000,000	1,497,650,620.14
Total internal revenue [5] [8]	40,937,810,000	39,703,310,000	22,142,758,153.44
2. Railroad unemployment insurance contributions.	12,800,000	11,900,000	10,268,593.90
3. Customs	438,000,000	420,000,000	324,290,778.06
4. Miscellaneous receipts:			
(1) Miscellaneous taxes:			
General accounts:			
Immigration head tax	230,000	230,000	234,649.00
Tonnage tax	1,185,000	1,185,000	1,189,120.92
Taxes, Canal Zone	115,000	125,000	129,687.47
Tax on deficiencies in gold reserves of Federal Reserve Banks			107.74
Special accounts:			
Federal intermediate credit banks franchise tax	125,000	125,000	465,059.09
Tax on hydraulic mining in California	23,300	23,300	19,055.52
Taxes on firearms, shells, and cartridges, sec. 3407, Internal Revenue Code	400,000	700,000	1,149,332.58
Total, miscellaneous taxes	2,078,300	2,388,300	3,187,012.32
(2) Assessments:			
General accounts:			
On Federal and joint stock land banks, and Federal intermediate credit banks for expenses of examinations, Farm Credit Administration			195,261.65
Overtime service, Federal Communications Commission	3,500	3,500	2,242.62
Overtime service, marine inspection and navigation	100,000	100,000	103,035.13
Special accounts:			
Assessments upon Federal home loan banks and receipts from other sources for administrative expenses, Federal Home Loan Bank Board			1,324,924.87
Revenues, Colorado River Dam fund, All-American Canal, act Dec. 21, 1928 (45 Stat. 1057)	5,000	5,000	5,506.96

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Federal Reserve Bank of St. Louis

TABLE 100.—*Receipts and expenditures of general and special accounts, actual for the fiscal year 1943 and estimated for the fiscal years 1944 and 1945, in detail*—Continued

General and special accounts	Estimated, 1945	Estimated, 1944	Actual, 1943 [1]
RECEIPTS—Continued			
4. Miscellaneous receipts—Continued.			
(2) Assessments—Continued.			
Special accounts—Continued.			
Revenues, Colorado River Dam fund, Boulder Canyon project, act Dec. 21, 1928 (45 Stat. 1057)	$7,507,700	$7,507,700	$7,742,098.82
Assessments, examination costs and supervisory services for banks and corporations, Farm Credit Administration, act July 22, 1942 (56 Stat. 700)	2,205,000	2,330,000	940,170.76
Total, assessments	9,821,200	9,946,200	10,313,240.81
(3) Fees:			
General accounts:			
Admission fees	750	750	1,732.62
Admission of attorneys to practice before executive departments and establishments	3,000	3,000	1,980.00
Agricultural Commodities Act	195,000	195,000	193,917.03
Alaska game laws			17,032.99
Alaska Road Commission			12,131.18
Canal Zone	7,000	7,500	7,833.83
Clerks, United States courts	1,500,000	1,500,000	1,352,211.04
Commissions on telephone pay stations in Federal buildings and rented post offices	979,000	1,106,000	863,911.68
Consular and passport	1,471,000	1,471,000	1,447,490.67
Copying	67,000	67,000	61,509.86
Copyright	300,000	300,000	305,662.20
Court of Claims	6,500	6,000	5,109.95
Certifying railroad tariffs	3,000	3,000	2,819.60
Court of Customs and Patent Appeals	6,000	5,500	5,059.95
Customs	15,800	15,800	15,767.35
Fees, sale of timber (Indians)	150,000	150,000	135,546.40
Federal Firearms Act	20,000	20,000	17,593.48
Filing fees, Trust Indenture Act of 1939, Securities and Exchange Commission	2,500	2,500	2,300.00
Food, Drug, and Cosmetic Act, fees, sec. 706	46,500	46,500	41,365.95
Inspection of tobacco	10,000	10,000	9,286.93
Immigration, registration (earned)	200,000	250,000	878,755.30
Immigration fees, cancelation of deportation proceedings	3,000	3,000	11,844.00
Land offices (including commissions)	1,000	1,000	156.37
Marshals, United States courts	180,000	180,000	125,731.19
Migratory-bird hunting stamps	1,000,000	1,000,000	1,368,752.00
Naturalization (earned)	1,350,000	2,000,000	3,045,548.22
Naval stores grading	6,000	6,000	5,631.52
Navigation	131,000	131,000	131,534.46
Patent (earned)	3,800,000	3,800,000	3,304,476.66
Registration, securities and exchanges	230,000	230,000	218,701.49
Registration under Neutrality Act	25,000	25,000	23,300.00
Services performed for Indians	125,000	125,000	122,134.45
Testing	170,000	152,000	99,511.94
Testing fees, enforcement of Tea Importation Act	18,000	18,000	18,741.86
The Tax Court of the United States	40,000	40,000	38,242.55
Vending machines	15,000	12,000	6,399.84
Warehouse Act	18,000	18,000	18,539.00
Other	1,500	1,500	1,579.20
Special accounts:			
Fees and commissions, land offices, act June 17, 1902 (32 Stat. 388)	48,000	48,000	48,907.78
Fees, Federal Credit Unions, Federal Deposit Insurance Corporation			6,603.14
Total, fees	12,144,550	12,950,050	13,975,353.68

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Federal Reserve Bank of St. Louis

TABLE 100.—*Receipts and expenditures of general and special accounts, actual for the fiscal year 1943 and estimated for the fiscal years 1944 and 1945, in detail*—Continued

General and special accounts	Estimated, 1945	Estimated, 1944	Actual, 1943 [1]
RECEIPTS—Continued			
4. Miscellaneous receipts—Continued.			
(4) Fines and penalties:			
General accounts:			
Antitrust laws	$1,000,000	$1,000,000	$1,591,734.21
Canal Zone	65,000	70,000	70,033.50
Customs Service	98,000	98,000	98,149.71
Antinarcotic laws	9,000	9,000	9,790.10
Enforcement of National Prohibition Act	7,900	10,600	13,439.74
Immigration and Naturalization Service	48,000	96,000	248,565.96
Internal revenue	5,000	5,000	9,735.61
Interstate Commerce Act	75,000	75,000	373,014.35
Liquidated damages	142,000	160,000	123,384.63
Navigation	58,000	58,000	57,755.76
Penalties, cotton marketing quotas, Agricultural Adjustment Act of 1938	83,000	745,000	1,136,071.79
Penalties, peanut marketing quotas, Agricultural Adjustment Act of 1938	10,000	14,000	10,368.11
Penalties, tobacco marketing quotas, Agricultural Adjustment Act of 1938	50,000	85,000	585,909.97
Penalties, wheat marketing quotas, Agricultural Adjustment Act of 1938	500,000	3,010,000	131,121.53
Public Health Service	1,000	1,000	1,030.00
Public lands and reservations	100	100	12,351.20
Recovery of value of oil in case of United States against Merritt, Chapman-Scott Corporation			490.48
Treble damages: Emergency Price Control Act	1,500,000	1,500,000	1,176,079.26
Violations, air-traffic regulations	10,000	10,000	9,800.00
Violating regulations and 8-hour law of 1912	100	1,000	4,162.98
Violations, Federal Alcohol Administration Act	1,000	1,000	13,046.00
Violations, Fair Labor Standards Act of 1938	150,000	150,000	150,947.07
Violations, Public Contracts Act	250,000	250,000	31,775.93
Violating regulations	350,000	350,000	311,711.36
Other	1,585,000	1,580,000	1,356,007.73
Total, fines and penalties	5,998,100	9,278,700	7,526,476.98
(5) Forfeitures:			
General accounts:			
Bonds of aliens, contractors, etc	386,000	386,000	386,912.85
Bonds under Narcotic Act	700	700	2,154.42
Bonds under National Prohibition Act	400,000	400,000	481,366.02
Bribes to United States officers	1,000	1,000	1,012.87
Excess proceeds of withheld Veterans' Administration foreign checks	1,500,000	1,500,000	1,543,379.58
Customs Service	400,000	400,000	394,117.38
Forfeitures, effects of deserters and enlisted men	400	400	921.29
Secret Service Division	1,000	1,000	3,379.64
Unclaimed funds	500	500	1,194.34
Unclaimed and abandoned merchandise	115,000	115,000	116,362.49
Unclaimed moneys and wages remaining in registry of courts	125,000	125,000	122,073.96
Unexplained balances in cash accounts	15,000	15,000	31,960.55
Wages of seamen remaining in registry of courts more than six years	10,000	10,000	9,226.20
Other	164,000	165,000	9,764.10
Special accounts:			
Forfeitures, bonds of aliens (U. S. securities)	5,000	5,000	3,550.00
Total, forfeitures	3,123,600	3,124,600	3,107,375.69

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Federal Reserve Bank of St. Louis

TABLE 100.—*Receipts and expenditures of general and special accounts, actual for the fiscal year 1943 and estimated for the fiscal years 1944 and 1945, in detail*—Continued

General and special accounts	Estimated, 1945	Estimated, 1944	Actual, 1943 [1]
RECEIPTS—Continued			
4. Miscellaneous receipts—Continued.			
(6) Gifts and contributions:			
General accounts:			
Deposits of funds belonging to military organizations of the Army disbanded at close of World War			$35.99
Donations to the United States	$10,000,000	$20,000,000	25,595,992.03
Donations to the United States for war activities	15,000	160,000	309,993.77
Moneys received from persons known	20,000	50,000	87,267.40
Moneys received from persons unknown	12,000	18,000	18,920.09
Return of grants, Farm Security Administration	15,000	180,000	98,808.01
Return of compensation of the President to conform with regulations issued by the Economic Stabilization Director pursuant to sec. 7, Title II of Executive Order 9250			1,950.00
Special accounts:			
Deposits, war contributions, act Mar. 27, 1942	1,000,000	2,000,000	2,352,903.44
Total, gifts and contributions	11,062,000	22,408,000	28,465,870.73
(7) Interest, exchange, and dividends:			
General accounts:			
Dividends on shares of Federal savings and loan associations	87,000	237,000	540,310.60
Earnings from payments to Federal Reserve Banks for industrial loans	100,000	100,000	197,162.49
Gain by exchange	220,000	220,000	260,504.51
Federal control of transportation systems (repayment to appropriations)			4.16
Interest earned on Commodity Credit Corporation securities	16,500,000	9,500,000	6,052,137.12
Interest collections of Farm Security Administration			1,039.90
Interest earned on Home Owners' Loan Corporation bonds	5,000,000	1,532,000	3,898,636.12
Interest earned on Tennessee Valley Authority securities	570,800	570,800	570,790.62
Interest earned on United States Housing Authority notes	4,500,000	3,300,000	1,396,416.49
Interest from Central Branch, Union Pacific Railroad	12,000	12,000	11,779.91
Interest on advances to Colorado River Dam fund, Boulder Canyon project	4,000,000	4,000,000	2,000,000.00
Interest on construction costs of public works in Colon and Panama, War Department		18,000	40,988.94
Interest on advance payments to contractors	6,000,000	6,500,000	1,459,651.95
Interest on deferred collections or payments	452,000	533,000	607,073.98
Interest on emergency crop loans, Farm Credit Administration	75,000	100,000	74,799.71
Interest on emergency crop loans incident to removal of enemy aliens	6,000	39,000	187,303.93
Interest on farmers' seed and feed loans	225,000	300,000	378,404.72
Interest on loan to District of Columbia for black-out expenses	8,400	1,700	
Interest on funded obligations of foreign governments held by the United States under refunding agreements	304,000	291,000	162,100.70
Interest on homestead loans, Virgin Islands	1,500	1,500	2,020.91
Interest on Government-owned securities	50,000	80,000	1,024,959.40
Interest on loans, U. S. Housing Corporation			3,527.52
Interest on long-term notes, National Capital Housing Authority	100	200	265.50

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Federal Reserve Bank of St. Louis

TABLE 100.—*Receipts and expenditures of general and special accounts, actual for the fiscal year 1943 and estimated for the fiscal years 1944 and 1945, in detail*—Continued

General and special accounts	Estimated, 1945	Estimated, 1944	Actual, 1943[1]
RECEIPTS—Continued.			
4. Miscellaneous receipts—Continued.			
(7) Interest, exchange, and dividends—Con.			
General accounts—Continued.			
Interest on loans, Puerto Rico Reconstruction Administration	$12,000	$14,000	$17,758.25
Interest on loans, relief in stricken agricultural areas	1,125,000	1,500,000	1,395,113.37
Interest on loans, Rural Electrification Administration	7,000	5,500	7,144.12
Interest on loans to States, municipalities, etc., Federal Works Agency	1,515,000	1,600,000	1,454,435.86
Interest on public deposits	5,000	5,000	4,057.05
Loans to railroads after termination of Federal control (repayments to appropriations)	56,800	56,800	1,869,048.88
Interest on obligations of Reconstruction Finance Corporation purchased by the Secretary of the Treasury	100,000,000	68,000,000	24,198,979.57
Military and naval insurance, Veterans' Administration, premiums on term insurance (repayments to appropriations)	350,000	350,000	369,209.28
Interest on securities received from Reconstruction Finance Corporation	1,000	1,000	2,026.57
Interest and profits on Federal Farm Mortgage Corporation bonds	5,000,000	1,000,000	826,527.61
Other	100	100	1,837.38
Special account:			
Interest and profits on investments, Pershing Hall Memorial fund	5,000	7,000	2,521.36
Total, interest, exchange, and dividends	146,188,700	99,875,600	49,018,538.48
(8) Mint receipts:			
General accounts:			
Profits on coinage, bullion deposits, etc.	6,423,000	30,554,000	1,636,554.21
Seigniorage	78,000,000	75,300,000	76,638,592.10
Total, mint receipts	84,423,000	105,854,000	78,275,146.31
(9) Permits, privileges, and licenses:			
General accounts:			
Alaska fund	200,000	200,000	189,979.29
Business concessions	668,000	927,000	337,347.51
Immigration reentry permits (earned)	30,000	30,000	56,186.53
Licenses under Federal Power Act	161,000	161,000	161,576.03
Permits to operate motor vehicles		2,450	10,395.50
Permits to enter national parks	285,000	323,000	553,292.53
Permits, fishing and hunting	17,500	17,500	1,025.05
Power permits	19,000	19,000	19,415.00
Revenues, Washington National Airport	500,000	500,000	443,565.34
Rights-of-way on and occupancy of public lands	22,000	22,000	21,254.41
Other	500	500	810.70
Special accounts:			
Licenses under Federal Power Act	216,885	217,270	211,494.86
Receipts due States under Grazing Act, June 28, 1934	600,000	600,000	488,113.53
Revenues, Indian Arts and Crafts Board	200	200	100.00
Revenues, purchase of lands and other property, Mammoth Cave National Park	44,000	44,000	56,286.51
Total, permits, privileges, and licenses	2,764,085	3,063,920	2,550,842.79

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Federal Reserve Bank of St. Louis

TABLE 100.—*Receipts and expenditures of general and special accounts, actual for the fiscal year 1943 and estimated for the fiscal years 1944 and 1945, in detail*—Continued

General and special accounts	Estimated, 1945	Estimated, 1944	Actual, 1943 [1]
RECEIPTS—Continued			
4. Miscellaneous receipts—Continued.			
(10) Reimbursements:			
General accounts:			
Auditing accounts of American Red Cross	$18,500	$17,300	$10,192.31
Bankruptcy Act, Interstate Commerce Commission	5,000	33,000	2,522.82
By States for emergency conservation work, profits on sales of lands or its products			10,979.47
Cable and radio messages	10,000	10,000	8,951.04
Collections under Cotton Standards Act	300,000	300,000	299,210.61
Collections under Grain Standards Act	60,000	60,000	61,040.02
Compensation received by Federal employees from private sources			636.98
Construction charges (Indian service)	19,500	19,500	18,572.75
Cost of administration, Federal Power Act	550,000	663,000	420,965.95
Costs from estates of deceased Indians	50,000	50,000	46,182.45
Court costs	138,000	138,000	133,431.94
By District of Columbia for advances for acquisition of lands under sec. 4, act May 29, 1930, as amended	1,000,000	1,000,000	300,000.00
By District of Columbia for share of expenses of U. S. District Courts and Court of Appeals	1,200,000	1,200,000	1,146,934.25
Maintenance of District of Columbia inmates in Federal penal and correctional institutions	150,000	150,000	180,760.33
Expenses of international service of ice observations and patrol	50,000	50,000	60,206.00
Expenses, miscellaneous	16,000	80,000	558,749.90
Expenses of redeeming national currency	79,000	64,000	58,224.84
Excess cost over contract price	600,000	2,119,000	2,313,199.49
Excess premium for increased production	120,000	120,000	
Excessive profits on renegotiated contracts [2]	1,212,400,000	1,733,100,000	558,223,780.23
Excess witness fees	300	300	558.63
Government property lost or damaged	10,292,000	10,503,000	8,551,001.87
Government property lost or damaged, National Guard	2,000	15,000	37,190.83
Hospitalization charges and expenses	306,000	306,000	318,165.20
Inspection of perishable food and farm products	330,000	330,000	329,610.44
Jury service	17,000	17,000	25,882.03
Loss of continuous discharge books, etc., Marine Inspection and Navigation	7,500	7,500	7,437.86
Maintenance and irrigation charges, irrigation systems, Indian service	685,000	685,000	692,695.64
Of appropriations made for Indian tribes	240,000	240,000	257,030.36
Refund on royalties	2,200,000	2,000,000	
Refund on enlistment allowances and clothing bounties	700	700	1,402.93
Refund, State and local taxes	105,000	155,000	174,526.16
Refund on empty containers	530,000	530,000	154,520.98
Reimbursement for expenses, Special Mexican Claims Commission	150,000	412,000	31,739.31
Revenues, power system, Flathead Reservation, Mont	160,000	160,000	161,349.68
Repairs of Rock Island Bridge, Rock Island, Ill	13,200	13,200	11,759.83
Salaries (unauthorized services)		12,000	51,099.88
Settlement of claims against various depositors	20,000	95,000	472,596.84
Transportation	2,130,000	2,670,000	1,530,534.11
Other	431,000	427,000	3,333,744.91

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Federal Reserve Bank of St. Louis

TABLE 100.—*Receipts and expenditures of general and special accounts, actual for the fiscal year 1943 and estimated for the fiscal years 1944 and 1945, in detail*—Continued

General and special accounts	Estimated, 1945	Estimated, 1944	Actual, 1943 [1]
RECEIPTS—Continued			
4. Miscellaneous receipts—Continued.			
(10) Reimbursements—Continued.			
Special accounts:			
Collections, reclamation fund	$8,000,000	$7,000,000	$6,557,268.38
Reimbursements, defense aid:			
Agricultural industrial, and other commodities	35,000,000	35,000,000	27,004,891.84
Facilities and equipment			590.40
Vessels and other watercraft			6,405.22
Ordnance and ordnance stores			36.37
Total reimbursements	1,277,385,700	1,799,752,500	613,566,581.08
(11) Rents and royalties:			
General accounts:			
Ground rent	2,300	2,300	2,913.92
Pipe-line rentals	15,000	15,000	15,000.00
Receipts from potash deposits, royalties, and rentals	44,000	44,000	42,993.56
Receipts under mineral leasing acts	740,000	740,000	716,024.99
Receipts for range improvements	300,000	300,000	245,634.05
Rent of docks, wharves, and piers	350,000	325,000	412,497.32
Rent of equipment	9,066,000	11,068,000	13,547,031.14
Rent of camp and house sites	13,500	15,500	40,598.02
Rent from converted properties	4,296,000	295,000	
Rent on low-cost housing projects	35,000	35,000	39,592.25
Rent of land	637,000	659,000	641,889.81
Rent of public buildings, grounds, etc	955,000	858,000	1,186,180.23
Rent of telegraph and telephone facilities	21,000	105,000	24,226.43
Rent of water-power sites	157,000	157,000	157,943.13
Rentals of tenant farms, Puerto Rico Reconstruction Administration	65,000	65,000	72,358.92
Rental and operation of Community Facilities, Defense Public Works	1,085,000	40,000	
Royalties on coal leases in Alaska	10,000	10,000	8,929.00
Royalties, naval petroleum reserves, California	700,000	700,000	751,245.14
Royalties on oil, gas, etc	150,000	165,000	154,333.32
Other	205,000	360,000	167,899.25
Special accounts:			
Deposits, rents, national defense housing projects (emergency fund for the President), Navy and War	750,000	750,000	882,127.31
Potash deposits, royalties and rentals, act Oct. 2, 1917	44,000	44,000	43,646.22
Receipts from leases of flood control lands	150,000	150,000	79,695.76
Receipts under mineral leasing acts	6,660,000	6,660,000	6,444,224.80
Receipts from potash deposits, royalties and rentals	396,000	396,000	386,941.98
Total, rents and royalties	26,846,800	23,958,800	26,063,926.55
(12) Sales of Government products:			
General accounts:			
Agricultural products, including livestock and livestock products	372,000	474,000	600,709.01
Card indexes, Library of Congress	300,000	300,000	305,618.95
Dairy products	103,000	103,000	80,966.30
Electric current, power plant, Coolidge Dam, Ariz	300,000	300,000	303,794.89
Electric current	203,000	208,000	160,919.86
Films	5,000	5,000	4,384.79
Heat, light, power, and water	113,000	107,000	86,930.70
Ice	200,000	200,000	63,861.73
Migratory Bird Conservation Act, receipts credited to the general fund	126,000	130,000	75,297.19
Occupational therapy products	76,000	76,000	62,597.64
Old, condemned, and surplus property, Navy Department	1,500,000	1,500,000	1,225,492.90
Photo duplications	34,000	35,000	39,455.32
Plans and specifications	2,000	2,000	2,556.67
Proceeds, activities fund, United States naval prisons	12,000	12,000	18,661.00

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Federal Reserve Bank of St. Louis

TABLE 100.—*Receipts and expenditures of general and special accounts, actual for the fiscal year 1943 and estimated for the fiscal years 1944 and 1945, in detail*—Continued

General and special accounts	Estimated, 1945	Estimated, 1944	Actual, 1943 [1]
RECEIPTS—Continued			
4. Miscellaneous receipts—Continued.			
(12) Sales of Government products—Con.			
General accounts—Continued.			
Products from development of guayule, etc	$500,000	$300,000	
Public documents, charts, maps, etc	1,337,000	1,360,000	$1,244,510.68
Public timber	35,000	70,000	54,597.86
Sale and transfer of Government property, Federal property utilization program	150,020,000	67,019,000	856,095.97
Sale of visual aids for war training	430,000	130,000	
Scrap and salvaged materials, condemned stores, waste paper, refuse, etc	30,875,000	27,885,000	22,524,777.30
Seal and fox skins and furs	990,000	941,000	568,487.80
Stores	611,000	618,000	176,996.25
Donated scrap aluminum	16,000	16,000	9,368.31
Steam	21,600	21,600	30,714.76
Subsistence (meals, rations, etc.)	250,000	350,000	407,912.69
Unserviceable Civilian Conservation Corps property	800	800	118,634.11
Water	115,000	115,000	111,870.65
Other	10,373,222	8,481,277	2,534,458.35
Special accounts:			
Deposits, sale and transmission of electric energy, Bonneville project, Oregon	24,826,000	19,982,000	10,071,442.42
Deposits, sale and transmission of electric energy, Norfolk Dam project, Arkansas	469,000	75,000	
Deposits, sale and transmission of electric energy, Denison Dam project, Texas	629,000	100,000	
Deposits, sale of goods or commodities, War Relocation Authority, act July 25, 1942 (56 Stat. 710)	130,000	250,000	25,413.11
Receipts from production and sale of helium, etc., Bureau of Mines	125,000	125,000	112,355.59
Receipts under Migratory Bird Conservation Act	49,000	45,000	104,171.50
Sale of historical and educational material, U. S. Constitution Sesquicentennial Commission			8,513.83
Sale of water, sec. 40 (d), Mineral Leasing Act of 1920	500	500	465.72
Total, sales of Government products	225,149,122	131,337,177	41,992,033.85
(13) Sales of services:			
General accounts:			
Copies of hearings	1,700	1,700	1,258.57
Earnings by United States transports	875,000	875,000	752,754.84
Earnings from business operations	1,500,000	1,580,000	1,025,824.28
Fumigating and disinfecting	60,000	60,000	88,899.05
Laundry and dry-cleaning operations	38,000,000	40,000,000	29,077,263.43
Medical, dental, and hospital services	22,000	21,000	117,986.78
Livestock breeding service	2,500	2,500	3,481.17
Overhead charges on sales of services or supplies (War and Navy Departments)	1,700,000	1,700,000	1,988,266.79
Professional and scientific	300	300	821.41
Quarantine charges (fumigation, disinfection, inspection, etc., of vessels)	111,000	111,000	105,201.79
Quarters, subsistence, and laundry service	620,000	740,000	210,943.98
Radio service	120,000	150,000	59,994.62
Services of civilian internees and prisoners of war	2,000,000	1,500,000	6,570.97
Services of conscientious objectors	10,000	10,000	56,755.26
Storage and other charges	88,000	88,000	88,330.57
Telephone and telegraph	821,000	1,021,000	784,904.47
Tolls, Panama Canal	6,000,000	6,000,000	6,863,387.24

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Federal Reserve Bank of St. Louis

TABLE 100.—*Receipts and expenditures of general and special accounts, actual for the fiscal year 1943 and estimated for the fiscal years 1944 and 1945, in detail*—Continued

General and special accounts	Estimated, 1945	Estimated, 1944	Actual, 1943 [1]
RECEIPTS—Continued			
4. Miscellaneous receipts—Continued.			
(13) Sales of services—Continued.			
General accounts—Continued.			
Transportation service	$900,000	$900,000	$275,653.83
Work done for individuals or corporations	1,065,000	1,065,000	371,218.79
Other	1,400,000	1,300,000	636,185.01
Special accounts:			
Alaska Railroad fund receipts	6,000,0000	6,000,000	8,928,890.50
Collections for laundry service, Naval Academy	250,000	250,000	260,958.27
Total, sales of services	61,546,500	63,375,500	51,705,551.62
(14) Sundry receipts:			
General accounts:			
Forest reserve fund	6,488,000	6,488,000	4,377,988.21
Surplus from postal operations	11,076,010	----------	----------
Special accounts:			
Deposits, postal funds, Canal Zone	608,000	608,000	713,315.64
Forest reserve fund	2,995,000	1,995,000	2,887,778.08
Forest reserve fund, roads and trails for States (10 percent)	990,000	990,000	667,486.70
Forest reserve fund, payments to States (25 percent)	2,475,000	2,475,000	1,668,716.74
Receipts for acquisition of lands	126,000	126,000	461,788.01
United States revenues from District of Columbia sources	17,000	22,000	22,777.03
Total, sundry receipts	24,775,010	12,704,000	10,799,850.41
(15) Compensation for foreign merchant vessels:			
Special accounts:			
Deposits, compensation for foreign merchant vessels	----------	100,000	364,875.00
(16) Repayments of investments:			
General accounts:			
Collections, insured loans, Federal Housing Administration	865,000	1,755,000	3,550,713.79
Construction costs of public works in Colon and Panama	----------	28,000	56,380.28
Federal control of transportation systems (repayments to appropriations)	----------	----------	15,000.00
Principal on securities received from Reconstruction Finance Corporation under act Feb. 24, 1938	10,000	40,000	30,000.00
Principal payments on loans, Puerto Rican Hurricane Relief Commission	135,000	160,000	116,940.27
Principal payments on low-cost houses, Virgin Islands	1,200	1,200	1,432.26
Principal of bonds of foreign governments under funding agreements:			
Finland	99,300	91,350	6,844.86
Principal on loan to District of Columbia for black-out expenses	97,000	998,270	----------
Repayment of principal on loans for Indian rehabilitation	3,000	3,000	3,237.25
Repayment of principal on emergency crop loans, Farm Credit Administration	225,000	300,000	241,902.18
Repayment of principal on account of farm loans, Farm Tenant Act	----------	----------	[2] *176.92*
Repayment of principal on account of loans, Rural Electrification Administration	41,000	32,000	57,008.26
Repayment of principal on account of loans, Puerto Rico Reconstruction Administration	30,000	50,000	67,305.63
Repayment of principal on account of loans, Farm Security Administration	----------	----------	[2] *17,876.76*
Repayment of principal, long-term notes, National Capital Housing Authority	1,000	1,000	1,062.00

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Federal Reserve Bank of St. Louis

TABLE 100.—*Receipts and expenditures of general and special accounts, actual for the fiscal year 1943 and estimated for the fiscal years 1944 and 1945, in detail*—Continued

General and special accounts	Estimated, 1945	Estimated, 1944	Actual, 1943 [1]
RECEIPTS—Continued			
4. Miscellaneous receipts—Continued.			
(16) Repayments of investments—Continued.			
General accounts—Continued.			
Repayment of principal on emergency crop loans incident to removal of enemy aliens	$150,000	$706,000	$2,268,921.60
Representation of interests of foreign governments growing out of hostilities in Europe	1,833	1,833	1,832.68
Return of advances, Eastern Massachusetts Street Railway	1,000	1,000	1,632.78
Sale of chattels, Farm Security Administration			[2]509.80
Repayment and recoveries, emergency relief, act Dec. 17, 1941	4,000	411,000	237,519.77
Repayment of subscriptions to preferred and income shares, Federal savings and loan associations	3,000,000	7,000,000	7,958,600.00
Repayment of principal on orchard rehabilitation loans			900.00
Repayment of loans to students, Federal Security Agency	300,000	175,000	7,698.87
Special accounts:			
Crop production loan funds, act Jan. 22, 1932	1,500,000	2,000,000	2,272,591.53
Receipts from submarginal land program, Farm Tenant Act	455,000	455,000	372,819.62
Repayment of principal on account of loans to States, municipalities, etc., Public Works Administration	2,055,000	4,665,000	3,426,315.46
Deposit of excess capital, Commodity Credit Corporation			27,815,513.68
Total, repayment of investments	8,974,333	18,874,653	48,494,109.20
(17) Sales of public lands:			
General accounts:			
Sales of public lands	30,000	30,000	193.24
Special accounts:			
Sale of public land, reclamation fund (80 percent)	100,000	100,000	129,012.41
Total, sales of public lands	130,000	130,000	129,205.65
(18) Sales of Government property:			
General accounts:			
Capital equipment (trucks, horses, cars, machinery, furniture and fixtures, and other capital equipment)	10,900,000	10,900,000	2,282,610.68
Land and buildings	880,000	5,296,000	1,196,840.44
Lands, etc., on account of military post construction fund		3,000	4,376.12
Office material, etc	6,000	6,000	2,740.65
Ordnance material, War	52,000,000	34,000,000	379,163.50
Proceeds of Fort Hall irrigation and water system, Idaho	1,500	1,500	1,369.40
Proceeds of sales of vessels for the Coast Guard	1,000	1,000	4,127.00
Sale of town lots, Alaska			14.00
Standing timber, Alaska	4,000	4,000	4,061.41
Surplus war supplies	62,000,000	62,000,000	125,770.74
Special accounts:			
Coos Bay Wagon Road grant fund	160,000	160,000	156,418.46
Oregon and California land grant fund	1,400,000	1,400,000	1,372,226.87
Deposits for defense aid, sec. 6 (b), act Mar. 11, 1941	7,000,000	10,000,000	13,386,521.50
Proceeds of town sites, lots, Reclamation Service	6,500	6,500	6,758.17
Total, sales of Government property	134,359,000	123,778,000	18,922,998.94
Total, miscellaneous receipts	2,036,770,000	2,442,900,000	1,008,458,990.18

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Federal Reserve Bank of St. Louis

TABLE 100.—*Receipts and expenditures of general and special accounts, actual for the fiscal year 1943 and estimated for the fiscal years 1944 and 1945, in detail*—Continued

General and special accounts	Estimated, 1945	Estimated, 1944	Actual, 1943 [1]
RECEIPTS—Continued			
4. Miscellaneous receipts—Continued.			
(18) Sales of Government property—Continued.			
Adjustment to daily Treasury statement basis			−$101,131,013.04
Total, miscellaneous receipts [8]	$2,036,770,000	$2,442,900,000	907,327,977.14
Total receipts	43,425,380,000	42,578,110,000	23,384,645,502.54
Deduct: Net appropriation for Federal old-age and survivors insurance trust fund	2,656,380,000	[7] 1,392,090,000	1,103,002,793.30
Net receipts, general and special accounts	40,769,000,000	41,186,020,000	22,281,642,709.24
EXPENDITURES			
WAR ACTIVITIES			
War Department (includes Panama Canal)	47,600,000,000	48,800,000,000	42,602,260,661.73
Adjustment to daily Treasury statement basis			−308,445,743.85
Total, War Department [10]	47,600,000,000	48,800,000,000	42,293,814,917.88
Navy Department	28,500,000,000	27,000,000,000	20,528,102,983.90
Adjustment to daily Treasury statement basis			+360,246,041.61
Total, Navy Department [10]	28,500,000,000	27,000,000,000	20,888,349,025.51
Executive Office of the President:			
Executive Office proper		51,900	68,097.87
Bureau of the Budget	925,000	850,000	688,423.78
National Resources Planning Board			517,944.74
War agencies [10] [11]	2,541,227,200	2,623,112,500	1,643,055,451.60
Total	2,542,152,200	2,624,014,400	1,644,329,917.99
Adjustment to daily Treasury statement basis			−47,080,646.87
Total, Executive Office of the President	2,542,152,200	2,624,014,400	1,597,249,271.12
Emergency funds appropriated to the President	[12]	[12]	[12]
Independent establishments:			
Civil Service Commission	13,200,000	11,700,000	12,340,888.92
Employees' Compensation Commission	346,000	199,500	242,970.29
Federal Communications Commission	6,260,000	5,889,000	5,300,931.93
Federal Deposit Insurance Corporation			2,461.21
Federal Power Commission	600,000	525,000	449,150.62
General Accounting Office		60,900	2,291,597.11
Interstate Commerce Commission	338,000	303,000	220,586.59
National Archives	300	8,900	
National Capital Housing Authority	1,322,000	3,700,000	5,938,902.80
National Labor Relations Board	1,125,000	720,000	685,375.18
National Mediation Board			75,755.87
Railroad Retirement Board		4,800	23,783.51
Securities and Exchange Commission		400	3,304.34
Smithsonian Institution			40,625.29
Tariff Commission			39,139.63
United States Maritime Commission	4,700,000,000	4,500,000,000	2,807,709,241.86
Veterans' Administration		10,000	2,968,212.36
Total	4,723,191,300	4,523,121,500	2,838,332,927.51
Adjustment to daily Treasury statement basis			−31,149,825.53
Total, independent establishments	4,723,191,300	4,523,121,500	2,807,183,101.98
Federal Security Agency:			
Office of Education	75,115,000	103,788,000	136,365,700.48
Public Health Service	81,000,000	62,020,000	12,532,918.04
Office of the Administrator:			
Other	3,400,000	4,361,000	1,445,563.91
National Youth Administration		4,200,000	58,536,794.16
Total	159,515,000	174,369,000	208,880,976.59
Adjustment to daily Treasury statement basis			+3,093,645.72
Total, Federal Security Agency	159,515,000	174,369,000	211,974,622.31

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Federal Reserve Bank of St. Louis

TABLE 100.—*Receipts and expenditures of general and special accounts, actual for the fiscal year 1943 and estimated for the fiscal years 1944 and 1945, in detail*—Continued

General and special accounts	Estimated, 1945	Estimated, 1944	Actual, 1943
EXPENDITURES—Continued			
WAR ACTIVITIES—Continued			
Federal Works Agency:			
Office of the Administrator	$12,000,000	$130,000,000	$107,484,809.52
Public Buildings Administration	1,400,000	4,676,000	10,155,797.75
Public Roads Administration	85,675,000	120,591,000	96,557,792.43
Total	99,075,000	255,267,000	214,198,399.70
Adjustment to daily Treasury statement basis			+896,206.97
Total, Federal Works Agency	99,075,000	255,267,000	215,094,606.67
National Housing Agency:			
Office of the Administrator	8,684,000	5,069,000	67,017,146.83
Federal Home Loan Bank Administration	5,929,000	62,767,000	3,535,860.78
Federal Public Housing Authority	35,387,000	432,164,000	551,593,610.64
Total	50,000,000	500,000,000	622,146,618.25
Adjustment to daily Treasury statement basis			−14,528,699.40
Total, National Housing Agency	50,000,000	500,000,000	607,617,918.85
Department of Agriculture:			
Office of the Secretary	50,000	950,000	4,228,992.01
Emergency rubber project	6,300,000	14,000,000	17,410,891.61
War Food Administration:			
Salaries and expenses	18,800,000	12,590,000	1,065,008.41
Supply and distribution of farm labor	2,000,000	14,000,000	6,237,601.08
Food Production Administration: Farm Security Administration		460,000	16,542,237.77
Food Distribution Administration:			
Emergency supplies for Territories and possessions (national defense)	100,000	500,000	[a] *10,605,194.01*
Foreign war relief (national defense)	5,750,000	1,500,000	79,860.65
Defense aid (lend-lease)	2,467,000,000	2,256,000,000	1,972,578,388.30
Total	2,500,000,000	2,300,000,000	2,007,537,785.82
Adjustment to daily Treasury statement basis			+3,300,793.52
Total, Department of Agriculture	2,500,000,000	2,300,000,000	2,010,838,579.34
Department of Commerce:			
Office of the Secretary	127,000	965,000	363,098.39
Loan agencies (Commerce)		5,600,000	4,473,786.27
Office of Administrator of Civil Aeronautics	84,500,000	185,300,000	164,591,182.22
Bureau of Foreign and Domestic Commerce			19,244.56
Total	84,627,000	191,865,000	169,447,311.44
Adjustment to daily Treasury statement basis			−32,242,611.98
Total, Department of Commerce	84,627,000	191,865,000	137,204,699.46
Department of the Interior:			
Office of the Secretary	530,000	1,094,500	8,461,710.53
Solid Fuels Administration for War	6,200,000	2,905,000	573,373.88
Bureau of Indian Affairs	35,000	71,500	91,582.62
Bureau of Reclamation		600,000	723,631.26
Geological Survey	650,000	650,000	532,455.65
Bureau of Mines	9,468,500	23,644,200	12,062,210.03
National Park Service		200	49,957.91
Government in the Territories	3,500,000	22,898,000	11,350,647.59
Total	20,383,500	51,863,400	33,845,569.47
Adjustment to daily Treasury statement basis			+438,883.17
Total, Department of the Interior	20,383,500	51,863,400	34,284,452.64
Department of Justice:			
Legal activities and general administration	463,000	832,000	1,793,211.16
Federal Bureau of Investigation	40,956,000	39,453,000	34,087,702.72
Immigration and Naturalization Service		87,800	
Total	41,419,000	40,372,800	35,880,913.88
Adjustment to daily Treasury statement basis			−1,723,289.88
Total, Department of Justice	41,419,000	40,372,800	34,157,624.00

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Federal Reserve Bank of St. Louis

TABLE 100.—*Receipts and expenditures of general and special accounts, actual for the fiscal year 1943 and estimated for the fiscal years 1944 and 1945, in detail*—Continued

General and special accounts	Estimated, 1945	Estimated, 1944	Actual, 1943
EXPENDITURES—Continued			
WAR ACTIVITIES—Continued			
Department of Labor:			
Office of the Secretary	$2,668,000	$1,906,600	$1,437,382.01
Bureau of Labor Statistics	1,661,000	1,161,300	913,881.41
Children's Bureau	20,308,000	23,020,000	1,072,215.99
Women's Bureau	200,000		
Wage and Hour Division		39,000	153,352.59
Total	24,837,000	26,126,900	3,576,832.00
Adjustment to daily Treasury statement basis			−1,582,701.64
Total, Department of Labor	24,837,000	26,126,900	1,994,130.36
Department of State:			
Defense aid (lend-lease)			260,644.38
Emergency fund for the President, national defense		10,000,000	13,403,237.34
National defense activities			106,789.88
Foreign Service	4,800,000	3,000,000	1,864,956.90
Total	4,800,000	13,000,000	15,635,628.50
Adjustment to daily Treasury statement basis			−337,499.95
Total, Department of State	4,800,000	13,000,000	15,298,128.55
Treasury Department:			
Office of the Secretary	200,000,000	55,315,000	200,484,093.19
Foreign Funds Control			73,161.94
Office of Chief Clerk			28.80
Fiscal Service:			
Bureau of Accounts			15,598.26
Bureau of the Public Debt			75,529.84
Bureau of Internal Revenue			10,009.70
Secret Service Division			[a] 4.00
Procurement Division	1,000,000,000	1,144,685,000	1,208,463,117.64
Total	1,200,000,000	1,200,000,000	1,409,121,535.37
Adjustment to daily Treasury statement basis			−155,320,409.98
Total, Treasury Department	1,200,000,000	1,200,000,000	1,253,801,125.39
Expenditures from anticipated supplemental appropriations	650,000,000	800,000,000	
Total, war activities	88,200,000,000	88,500,000,000	72,108,862,204.06
Interest on the public debt	3,750,000,000	2,650,000,000	[13] 1,808,160,395.51
OTHER ACTIVITIES			
Legislative establishment:			
Senate	4,123,400	4,149,000	4,233,370.82
House of Representatives	9,687,400	10,282,500	9,360,752.71
Miscellaneous	4,000	4,000	4,000.00
Architect of the Capitol	3,145,000	2,374,500	2,235,237.44
Botanic Garden	122,000	105,000	103,463.99
Library of Congress	4,561,000	3,885,500	3,764,980.34
Government Printing Office	7,907,000	7,956,000	7,518,915.69
Total	29,549,800	28,756,500	27,220,720.99
Adjustment to daily Treasury statement basis			−526,067.09
Total, legislative establishment	29,549,800	28,756,500	26,694,653.90
The Judiciary:			
United States Supreme Court	693,000	638,000	616,510.11
Other Federal courts	13,159,000	11,350,000	11,222,551.97
Administrative Office of the United States Courts	305,000	245,000	269,882.07
Total	14,157,000	12,233,000	12,108,944.15
Adjustment to daily Treasury statement basis			−88,784.63
Total, The Judiciary	14,157,000	12,233,000	12,020,159.52

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Federal Reserve Bank of St. Louis

TABLE 100.—*Receipts and expenditures of general and special accounts, actual for the fiscal year 1943 and estimated for the fiscal years 1944 and 1945, in detail*—Continued

General and special accounts	Estimated, 1945	Estimated, 1944	Actual, 1943
EXPENDITURES—Continued			
OTHER ACTIVITIES—Continued			
Executive Office of the President:			
Executive Office proper	$579,100	$501,100	$493,082.01
Bureau of the Budget	2,827,000	1,677,000	1,437,582.69
National Resources Planning Board		66,000	642,001.84
Total	3,406,100	2,244,100	2,572,666.54
Adjustment to daily Treasury statement basis			+82.68
Total, Executive Office of the President	3,406,100	2,244,100	2,572,749.22
Civil departments and agencies:			
Independent establishments:			
American Battle Monuments Commission	9,000	14,000	16,025.81
Bituminous Coal Consumers' Counsel		24,000	157,970.58
Board of Investigation and Research—Transportation	20,000	286,000	611,854.92
Civil Service Commission	6,050,000	5,524,000	5,973,261.13
Employees' Compensation Commission	11,790,000	11,477,500	9,138,266.09
Federal Communications Commission	2,216,000	2,211,000	2,004,255.90
Federal Deposit Insurance Corporation			157,225.69
Federal Power Commission	2,204,000	2,041,000	2,047,283.93
Federal Trade Commission	2,034,000	1,981,000	1,871,298.08
Foreign service pay adjustment	[14]	[14]	[14]
General Accounting Office	38,170,000	26,605,000	15,397,664.36
Interstate Commerce Commission	8,955,000	8,424,000	8,461,834.01
National Advisory Committee for Aeronautics	23,235,000	18,671,000	9,869,282.23
National Archives	1,095,000	911,900	1,035,922.38
National Capital Housing Authority	16,000	12,000	[a] *34,774.49*
National Capital Park and Planning Commission	50,000	1,040,000	342,089.11
National Labor Relations Board	3,034,000	2,546,000	2,784,492.98
National Mediation Board	624,000	503,000	410,642.78
Railroad Retirement Board	14,294,528	17,227,700	13,547,362.83
Securities and Exchange Commission	4,845,000	4,095,000	4,858,793.64
Smithsonian Institution	2,140,000	1,995,000	1,693,041.04
Tariff Commission	987,000	857,000	823,591.72
The Tax Court of the United States	587,000	582,000	560,294.39
Thomas Jefferson Bicentennial Commission	15,000	27,000	5,773.87
Thomas Jefferson Memorial Commission	10,000	23,700	53,843.52
United States Constitution Sesquicentennial Commission			10,279.73
United States Coronado Exposition Commission			14.10
United States Golden Gate International Exposition Commission			572.12
United States New York World's Fair Commission			2,514.25
Unclassified items	[a] *5,928*	[a] *4,000*	[a] *500,008.18*
Total	122,374,600	107,074,800	81,300,673.52
Adjustment to daily Treasury statement basis			−2,679,318.62
Total, independent establishments	122,374,600	107,074,800	78,621,354.90
Federal Security Agency:			
American Printing House for the Blind	115,000	115,000	115,000.00
Columbia Institution for the Deaf	167,000	155,000	151,844.29
Food and Drug Administration	2,885,000	2,496,000	2,474,318.70
Freedmen's Hospital	336,000	311,000	304,660.15
Howard University	900,000	756,000	790,571.89
Office of Education	27,125,000	26,909,000	26,137,981.20
Public Health Service	35,346,000	35,230,000	30,633,272.04
Saint Elizabeths Hospital	2,103,000	1,905,000	1,516,577.66
Office of the Administrator	3,791,000	10,560,000	6,497,683.66
Miscellaneous			44,542.72
Total	72,768,000	78,437,000	68,666,452.31
Adjustment to daily Treasury statement basis			+554,461.87
Total, Federal Security Agency	72,768,000	78,437,000	69,220,914.18

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Federal Reserve Bank of St. Louis

TABLE 100.—*Receipts and expenditures of general and special accounts, actual for the fiscal year 1943 and estimated for the fiscal years 1944 and 1945, in detail*—Continued

General and special accounts	Estimated, 1945	Estimated, 1944	Actual, 1943
EXPENDITURES—Continued			
OTHER ACTIVITIES—Continued			
Civil departments and agencies—Continued.			
Federal Works Agency:			
Office of the Administrator	$350,000	$282,000	$304,512.20
Public Buildings Administration	45,541,000	50,384,700	32,544,966.30
Public Roads Administration	17,900,000	67,607,900	35,154,076.58
Miscellaneous			190,312.81
Total	63,791,000	118,274,600	68,193,867.89
Adjustment to daily Treasury statement basis			−31,102,046.60
Total, Federal Works Agency	63,791,000	118,274,600	37,091,821.29
National Housing Agency:			
Federal Home Loan Bank Administration			1,265,513.79
Federal Housing Administration	42,000	3,004,000	3,518,232.21
Federal Public Housing Authority	11,460,000	11,760,000	9,762,080.59
Miscellaneous			250.69
Total	11,502,000	14,764,000	14,546,077.28
Adjustment to daily Treasury statement basis			−31,914.93
Total, National Housing Agency	11,502,000	14,764,000	14,514,162.35
Department of Agriculture:			
Office of the Secretary	1,955,000	1,880,000	1,802,428.70
Office of the Solicitor	2,000,000	1,790,000	1,941,486.89
Office of Information	2,340,000	2,195,000	2,110,926.88
Library, Department of Agriculture	550,000	469,000	480,968.06
Bureau of Agricultural Economics	4,155,000	3,786,000	3,186,125.35
Office of Foreign Agricultural Relations	475,000	435,000	301,239.71
Agricultural Research Administration:			
Office of Administrator	136,000	110,000	65,950.32
Special research fund	1,175,000	1,103,000	1,113,422.40
Office of Experiment Stations	7,217,500	7,218,500	7,172,252.43
Bureau of Animal Industry	18,213,000	16,534,000	14,648,939.60
Bureau of Dairy Industry	785,000	726,000	709,319.44
Bureau of Plant Industry, Soils and Agricultural Engineering	5,405,000	4,942,000	5,382,377.21
Bureau of Entomology and Plant Quarantine	5,333,100	5,217,000	5,181,623.41
Control of emergency outbreaks of insect pests and plant diseases	2,745,000	3,375,000	2,033,596.82
Bureau of Agricultural and Industrial Chemistry	4,566,000	4,011,000	520,549.58
Bureau of Human Nutrition and Home Economics	610,000	459,000	382,559.95
Beltsville Research Center	175,000	153,000	390,496.70
Total, Agricultural Research Administration	46,360,600	43,848,500	37,601,087.86
White pine and blister rust control	2,200,000	1,850,000	1,596,206.10
Forest Service	29,149,000	30,028,000	27,979,281.21
War Food Administration:			
Extension Service	19,389,000	19,564,000	19,431,546.60
Food Production Administration, Soil Conservation Service	30,735,000	21,552,000	22,655,591.31
Food Distribution Administration, Marketing Service	6,951,000	6,483,300	6,207,000.93
Rural Electrification Administration	32,550,000	3,640,000	3,574,165.61
Miscellaneous	1,800	1,720,000	109,881.11
Total	178,811,400	139,240,800	128,977,936.32
Adjustment to daily Treasury statement basis			−2,478,472.50
Total, Department of Agriculture	178,811,400	139,240,800	126,499,463.82

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Federal Reserve Bank of St. Louis

TABLE 100.—*Receipts and expenditures of general and special accounts, actual for the fiscal year 1943 and estimated for the fiscal years 1944 and 1945, in detail*—Continued

General and special accounts	Estimated, 1945	Estimated, 1944	Actual, 1943
EXPENDITURES—Continued			
OTHER ACTIVITIES—Continued			
Civil departments and agencies—Continued.			
Department of Commerce:			
Office of the Secretary	$1,161,000	$1,498,000	$1,038,599.78
Loan agencies (Commerce)			[a] *73,839.62*
Bureau of the Census	6,250,000	3,782,000	5,711,463.49
Office of Administrator of Civil Aeronautics	35,225,000	85,517,000	[a] *7,045,478.39*
Civil Aeronautics Board	1,535,000	1,223,000	1,127,291.28
Coast and Geodetic Survey	5,040,000	5,390,000	3,079,797.72
Bureau of Foreign and Domestic Commerce	1,905,000	1,693,000	1,711,632.20
Patent Office	5,022,000	4,422,500	4,581,740.43
National Bureau of Standards	2,880,000	3,670,000	1,314,738.48
Weather Bureau	12,500,000	11,035,000	8,656,429.83
Miscellaneous		30,500	53,679.12
Total	71,518,000	118,261,000	20,156,054.32
Adjustment to daily Treasury statement basis			+49,690,024.49
Total, Department of Commerce	71,518,000	118,261,000	60,846,078.81
Department of the Interior:			
Office of the Secretary	5,370,000	5,256,500	7,033,156.52
Commission of Fine Arts	9,000	8,000	9,889.73
United States High Commissioner to Philippine Islands	116,000	97,000	72,041.04
Office of Fishery Coordination	280,000	160,000	
Southwestern Power Administration	150,000	125,000	
General Land Office	6,128,000	6,313,000	5,541,759.28
Bureau of Indian Affairs	28,929,000	29,621,500	22,134,358.07
Bureau of Reclamation	3,810,000	3,331,000	2,325,412.74
Geological Survey	5,568,000	4,837,000	3,984,222.32
Bureau of Mines	7,049,500	7,490,800	3,894,369.11
National Park Service	4,933,000	4,730,800	4,731,836.45
Fish and Wildlife Service	7,141,000	7,899,000	7,916,239.21
Government in the Territories	7,243,000	8,316,000	8,010,787.83
Miscellaneous			52,655.95
Total	76,726,500	78,185,600	65,706,728.25
Adjustment to daily Treasury statement basis			+1,069,823.72
Total, Department of the Interior	76,726,500	78,185,600	66,776,551.97
Department of Justice:			
Legal activities and general administration	22,169,000	20,345,500	20,232,411.52
Federal Bureau of Investigation	9,207,000	7,814,900	7,698,170.80
Immigration and Naturalization Service	28,483,000	24,161,000	24,919,135.37
Federal Prison System	13,090,000	11,128,000	11,132,410.37
Miscellaneous		11,700	30,059.15
Total	72,949,000	63,461,100	64,012,187.21
Adjustment to daily Treasury statement basis			−807,299.01
Total, Department of Justice	72,949,000	63,461,100	63,204,888.20
Department of Labor:			
Office of the Secretary	3,629,000	3,342,000	3,571,839.95
Bureau of Labor Statistics	1,287,000	1,445,400	756,581.04
Children's Bureau	642,000	555,000	557,788.78
Women's Bureau	185,000	210,000	158,582.57
Wage and Hour Division	4,700,000	4,250,000	4,677,686.13
Miscellaneous			11,389.55
Total	10,443,000	9,802,400	9,733,868.02
Adjustment to daily Treasury statement basis			+690,672.91
Total, Department of Labor	10,443,000	9,802,400	10,424,540.93
Department of State:			
Office of the Secretary	8,457,000	6,762,000	6,064,808.14
Foreign Service	22,125,000	21,201,000	21,381,353.84
International obligations	9,383,000	5,951,000	3,389,313.24
Miscellaneous			75,846.16
Total	39,965,000	33,914,000	30,911,321.38
Adjustment to daily Treasury statement basis			+910,661.01
Total, Department of State	39,965,000	33,914,000	31,821,982.39

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Federal Reserve Bank of St. Louis

TABLE 100.—*Receipts and expenditures of general and special accounts, actual for the fiscal year 1943 and estimated for the fiscal years 1944 and 1945, in detail*—Continued

General and special accounts	Estimated, 1945	Estimated, 1944	Actual, 1943
EXPENDITURES—Continued			
OTHER ACTIVITIES—Continued			
Civil departments and agencies—Continued.			
Treasury Department:			
Office of the Secretary	$2,479,000	$5,113,000	$1,427,488.16
Foreign Funds Control	4,369,000	3,742,000	5,704,795.59
Division of Tax Research	191,000	161,000	
Office of Tax Legislative Counsel	103,000	88,700	
Division of Research and Statistics	200,000	170,000	186,404.23
Office of General Counsel	167,000	145,000	148,754.67
Division of Personnel	215,000	157,000	178,116.17
Office of Chief Clerk	652,000	587,000	734,889.59
Custody of Treasury buildings	579,000	483,000	460,968.84
Division of Printing (now Printing and Binding Section, Procurement Division)			298,831.89
Fiscal Service:			
Bureau of Accounts	7,142,000	6,248,900	5,831,266.67
Bureau of the Public Debt	120,495,000	102,854,000	59,282,829.93
Office of the Treasurer of the United States	5,098,000	4,695,000	3,146,766.67
Bureau of Customs	26,085,000	22,109,000	22,378,607.50
Office of Comptroller of the Currency	290,000	257,000	254,312.50
Bureau of Internal Revenue	144,000,000	116,945,000	96,658,413.21
United States Processing Tax Board of Review			44,986.05
Bureau of Narcotics	1,382,000	1,196,000	1,289,055.68
Bureau of Engraving and Printing	10,706,000	9,974,000	10,503,698.66
Secret Service Division	2,727,000	2,510,000	2,370,389.04
Bureau of the Mint	5,987,000	5,821,000	5,460,824.69
Procurement Division	8,875,000	6,435,000	[a] *1,095,757.12*
Miscellaneous			881,273.77
Total	341,742,000	289,691,600	216,146,916.39
Adjustment to daily Treasury statement basis			+6,359,168.27
Total, Treasury Department	341,742,000	289,691,600	222,506,084.66
War Department (civil functions):			
Corps of Engineers	400,000	1,246,000	406,632.81
Panama Canal	21,434,000	33,885,000	28,533,980.74
Total	21,834,000	35,131,000	28,940,613.55
Adjustment to daily Treasury statement basis			+1,969,481.97
Total, War Department (civil functions)	21,834,000	35,131,000	30,910,095.52
Total, civil departments and agencies	1,084,424,500	1,086,237,900	812,437,939.02
Post Office deficiency		12,677,695	8,611,843.42
District of Columbia (United States share)	6,000,000	6,000,000	6,000,000.00
General public works program:			
National Advisory Committee for Aeronautics	2,800,000	27,656,000	14,078,267.65
Tennessee Valley Authority	26,000,000	77,000,000	107,744,241.17
Veterans' Administration	14,644,000	8,100,000	2,692,969.71
Federal Security Agency, St. Elizabeths Hospital		180,000	649,205.14
Federal Works Agency:			
Public Buildings Administration	1,688,000	6,313,000	12,104,013.60
Public Roads Administration	59,200,000	58,371,600	86,256,323.89
Total, Federal Works Agency	60,888,000	64,684,600	98,360,337.49
Department of Agriculture, Forest Service	4,200,000	5,200,000	4,608,118.87
Department of Commerce:			
Office of Administrator of Civil Aeronautics	5,000,000	500,000	84,131.11
National Bureau of Standards		200,000	522,159.69
Total, Department of Commerce	5,000,000	700,000	606,290.80
Department of the Interior:			
Bonneville Power Administration	10,000,000	10,000,000	15,182,604.64
Bureau of Indian Affairs	1,400,000	1,600,000	2,439,469.00
Bureau of Reclamation	55,246,000	72,276,800	66,238,396.15
National Park Service	905,000	995,000	3,507,835.25
Total, Department of the Interior	67,551,000	84,871,800	87,368,305.04

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Federal Reserve Bank of St. Louis

TABLE 100.—*Receipts and expenditures of general and special accounts, actual for the fiscal year 1943 and estimated for the fiscal years 1944 and 1945, in detail*—Continued

General and special accounts	Estimated, 1945	Estimated, 1944	Actual, 1943
EXPENDITURES—Continued			
OTHER ACTIVITIES—Continued			
General public works program—Continued.			
Department of Justice:			
Penal and correctional institutions	$93,000	$112,000	$179,142.55
Department of State:			
Foreign Service	500,000	500,000	699,321.78
International Boundary Commission, United States and Mexico	243,000	640,000	971,437.21
Total, Department of State	743,000	1,140,000	1,670,758.99
War Department (civil functions), Corps of Engineers	161,572,000	187,833,000	208,805,886.72
Total	343,491,000	457,477,400	526,763,524.13
Adjustment to daily Treasury statement basis			−4,238,603.25
Total, general public works program	343,491,000	457,477,400	522,524,920.88
Veterans' pensions and benefits:			
Veterans' Administration	1,252,179,000	865,389,000	599,063,205.21
Adjustment to daily Treasury statement basis			+714,686.51
Total, veterans' pensions and benefits	1,252,179,000	865,389,000	599,777,891.72
Aids to agriculture:			
Department of Agriculture:			
War Food Administration:			
Food Production Administration:			
Agricultural Adjustment Agency:			
Conservation and use of agricultural land resources	265,000,000	350,000,000	391,069,294.67
Parity payments	9,000,000	160,000,000	197,626,343.08
Other	41,100,000	47,024,000	57,834,518.39
Administration of Federal Crop Insurance Act	1,405,000	6,240,000	16,507,501.76
Land utilization and retirement of submarginal land	1,202,000	1,275,000	1,860,280.42
Farm Security Administration	30,025,000	38,075,000	44,594,232.50
Total, Food Production Administration	347,732,000	602,614,000	709,492,170.82
Food Distribution Administration:			
Exportation and domestic consumption of agricultural commodities	71,750,000	91,000,000	112,947,546.33
Administration of Sugar Act	52,500,000	52,800,000	55,453,911.29
Salaries and expenses, balance of sec. 12 (a), act May 12, 1933	17,000	44,000	103,526.64
Total, Food Distribution Administration	124,267,000	143,844,000	168,504,984.26
Total, War Food Administration	471,999,000	746,458,000	877,997,155.08
Farm Credit Administration	*a 3,745,000*	*a 23,641,000*	65,656,526.86
Total, Department of Agriculture	468,254,000	722,817,000	943,653,681.94
Treasury Department:			
Office of the Secretary:			
Federal land banks:			
Reductions in interest rates on mortgages		21,800,000	24,356,053.63
Subscription to capital stock, revolving fund			54,106,920.00
Subscriptions to paid-in surplus, revolving fund			*a 4,243,868.79*
Federal Farm Mortgage Corporation:			
Reductions in interest rate on mortgages		7,400,000	8,815,788.80
Total, Treasury Department		29,200,000	83,035,393.64
Total	468,254,000	752,017,000	1,026,689,075.58
Adjustment to daily Treasury statement basis			+10,542,114.49
Total, aids to agriculture	468,254,000	752,017,000	1,037,231,190.07

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Federal Reserve Bank of St. Louis

TABLE 100.—*Receipts and expenditures of general and special accounts, actual for the fiscal year 1943 and estimated for the fiscal years 1944 and 1945, in detail*—Continued

General and special accounts	Estimated, 1945	Estimated, 1944	Actual, 1943
EXPENDITURES—Continued			
OTHER ACTIVITIES—Continued			
Aids to youth:			
Federal Security Agency:			
Office of the Administrator:			
Civilian Conservation Corps		$20,000	$15,028,079.16
Adjustment to daily Treasury statement basis			+2,886,770.67
Total, aids to youth		20,000	17,914,849.83
Social security program:			
Administrative expenses:			
Federal Security Agency, Social Security Board	$26,692,000	24,906,000	25,396,995.85
Department of Commerce, Bureau of Census	175,000	250,000	433,641.68
Department of Labor, Children's Bureau	420,000	360,000	356,657.99
Total, administrative expenses	27,287,000	25,516,000	26,187,295.52
Grants to States:			
Federal Security Agency:			
Public Health Service	11,000,000	11,400,000	10,572,671.87
Social Security Board	434,400,000	429,800,000	449,861,013.62
Total, Federal Security Agency	445,400,000	441,200,000	460,433,685.49
Department of Labor:			
Children's Bureau	11,978,000	12,570,000	11,138,866.90
Total, grants to States	457,378,000	453,770,000	471,572,552.39
Total	484,665,000	479,286,000	497,759,847.91
Adjustment to daily Treasury statement basis			−248,614.91
Total, social security program	484,665,000	479,286,000	497,511,233.00
Work relief:			
Employees' Compensation Commission	2,300,000	2,905,000	3,532,886.93
General Accounting Office		11,700	630,342.15
Federal Works Agency:			
Office of the Administrator:			
Public Works Administration		27,515,000	11,732,161.26
Other		8,452,000	104,913.01
Work Projects Administration		2,638,000	285,050,162.26
Total, Federal Works Agency		38,605,000	296,887,236.53
Department of the Interior, Government in the Territories		1,491,000	*a 59,692.79*
Treasury Department:			
Fiscal Service:			
Bureau of Accounts		57,000	684,376.62
Office of the Treasurer of the United States		14,000	174,191.76
Secret Service Division		20,000	54,346.22
Procurement Division	25,000	170,000	1,056,891.59
Miscellaneous			124,546.12
Total, Treasury Department	25,000	261,000	2,094,352.31
Total	2,325,000	43,273,700	303,091,185.13
Adjustment to daily Treasury statement basis			+14,294,574.75
Total, work relief	2,325,000	43,273,700	317,385,759.88
Refunds:			
Treasury Department:			
Office of the Secretary	1,000,000,000	5,000,000	
Bureau of Customs	14,000,000	15,000,000	16,605,079.16
Bureau of Internal Revenue	785,122,000	391,459,000	63,669,871.87
Total	1,799,122,000	411,459,000	80,274,951.03
Adjustment to daily Treasury statement basis			−1,137,300.19
Total, refunds	1,799,122,000	411,459,000	79,137,650.84

Footnotes at end of table.

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Federal Reserve Bank of St. Louis

TABLE 100.—*Receipts and expenditures of general and special accounts, actual for the fiscal year 1943 and estimated for the fiscal years 1944 and 1945, in detail*—Continued

General and special accounts	Estimated, 1945	Estimated, 1944	Actual, 1943
EXPENDITURES—Continued			
OTHER ACTIVITIES—Continued			
Retirement funds:			
Government employees' retirement funds:			
Civil Service Commission:			
Civil service retirement and disability appropriated fund	$194. 500. 000	$175. 104. 000	$105. 258, 000. 00
Canal Zone retirement and disability appropriated fund	1, 177, 000	1, 177, 000	1, 177. 000. 00
Alaska Railroad retirement and disability appropriated fund	175. 000	175. 000	175, 000. 00
State Department:			
Foreign service retirement and disability appropriated fund	910, 500	865. 600	630, 800. 00
Total, Government employees' retirement funds	196, 762. 500	177. 321, 600	107. 240. 800. 00
Railroad retirement appropriated account	274, 901, 000	296, 636, 000	214, 801, 000. 00
Total, retirement funds	471, 663, 500	473, 957, 600	322, 041, 800. 00
Expenditures from anticipated supplemental appropriations	45, 000, 000	170, 000, 000	
Total, other activities	6, 004, 236, 900	4, 801. 028. 895	4, 261, 862, 641. 30
Total expenditures, excluding statutory public debt retirements	97. 954, 236. 900	95. 951. 028. 895	78, 178, 885. 240. 87
Statutory public debt retirements			3, 446, 150. 00
Adjustment to daily Treasury statement basis			+17, 250. 00
Total, statutory public debt retirements			3, 463, 400. 00
Total expenditures, general and special accounts, including statutory public debt retirements	97. 954, 236, 900	95, 951, 028, 895	78, 182, 348, 640. 87

[a] Excess of credits (deduct).

[1] Details of income taxes and miscellaneous internal revenue on collection basis with adjustments to basis of the daily Treasury statement. Details of miscellaneous receipts on basis of warrants issued with total adjusted to basis of the daily Treasury statement.

[2] Because of the time required for payments reported as tax collections toward the end of each month to clear through the banks and become available for expenditures on the daily Treasury statement basis, an adjustment from the collections to the daily Treasury statement basis is necessary. A positive adjustment indicates that during the fiscal year more tax receipts on the daily Treasury statement basis have been received than are reported as collections, and a negative adjustment indicates the reverse situation.

[3] Estimated break-down of actual adjustment to the daily Treasury statement basis of income and excess profits tax receipts between individual and corporation income and excess profits taxes. The actual division is not available.

[4] Includes back declared value excess profits tax collections.

[5] Collections for credit to trust funds are not included.

[6] Includes collections from taxes on narcotics; taxes imposed under the National Firearms Act; and the tax on hydraulic mining, all of which are effective currently. In addition, includes collections from excise taxes repealed prior to and including the Revenue Act of 1942 (consisting primarily of rubber articles, electric signs, optical equipment, and washing machines); collections from the tobacco, matches, tires and tubes floor stocks taxes imposed by the Revenue Acts of 1941 and 1942; and collections from the tax under the Bituminous Coal Act of 1937, which expired August 24, 1943.

[7] Includes the effect of Public Law 221, approved Dec. 22, 1943, which postpones the automatic increase in the 1944 tax rate under the Federal Insurance Contributions Act until Mar. 1, 1944.

[8] Collections of manufacturers' excise taxes on firearms, shells and cartridges, and pistols and revolvers in the amount of $1,210,845.84 was transferred from miscellaneous internal revenue receipts to miscellaneous receipts, in accordance with a reclassification of accounts.

[9] Includes cash refunds which are recoveries of excessive profits from renegotiation of war contracts which would not have been collected as taxes, plus those amounts which would have been collected as taxes if the corporation had filed a definitive tax return prior to the determination of the amount of excessive profits.

[10] Because of possible material changes in war conditions, the detailed estimates of appropriations for the fiscal year 1945 will be submitted to Congress as a part of the supplemental budget in the spring of 1944. Consequently the estimated expenditures for the fiscal year 1945 are tentative.

[11] Includes Office for Emergency Management and constituent agencies, Office of Censorship, Office of Price Administration, Office of Strategic Services, and Petroleum Administration for War.

[12] Expenditures are shown under the various agencies to which funds are allocated.

[13] Includes adjustments to daily Treasury statement basis of −$4,848,101.22.

[14] Expenditures are shown under the various agencies to which the funds are transferred.

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Federal Reserve Bank of St. Louis

TABLE 101.—*Receipts and expenditures of trust accounts, etc., actual for the fiscal year 1943 and estimated for the fiscal years 1944 and 1945, as exhibited in the Budget for 1945*

Trust accounts, etc.	Estimated, 1945	Estimated, 1944	Actual, 1943
RECEIPTS			
Unemployment trust fund:			
Deposits by States (net)	$1,370,900,000	$1,359,200,000	$1,217,685,690.47
Railroad unemployment insurance account:			
Deposits by Railroad Retirement Board	115,200,000	107,100,000	92,441,371.94
Transfers from railroad unemployment insurance administration fund (act Oct. 10, 1940)	9,159,528	11,699,700	5,973,300.00
Interest on investments	124,564,376	96,863,671	82,423,797.23
Total, unemployment trust fund	1,619,823,904	1,574,863,371	1,398,524,159.64
Federal old-age and survivors insurance trust fund:			
Interest on investments	142,366,207	107,505,074	87,403,022.48
Net appropriation from General Fund receipts	2,656,380,000	1,392,090,000	1,103,002,793.30
Total, Federal old-age and survivors insurance trust fund	2,798,746,207	1,499,595,074	1,190,405,815.78
Federal employees' retirement funds:			
Civil service retirement and disability fund, Civil Service Commission:			
Deduction from salaries, etc	311,026,853	265,204,950	225,481,273.27
Interest and profits on investments	43,636,314	40,606,852	37,788,863.36
Transfers from General Fund (United States share)	194,500,000	175,104,000	105,258,000.00
District of Columbia share	1,290,875	889,037	879,575.00
Total, civil service retirement and disability fund	550,454,042	481,804,839	369,407,711.63
Alaska Railroad retirement fund, Civil Service Commission:			
Contributions	245,798	208,000	176,014.23
Interest on investments	61,570	60,477	59,403.06
Transfers from General Fund (United States share)	175,000	175,000	175,000.00
Total, Alaska Railroad retirement fund	482,368	443,477	410,417.29
Canal Zone retirement and disability fund, Civil Service Commission:			
Deductions from salaries, etc	2,145,724	1,550,232	1,131,191.98
Interest on investments	485,780	388,286	310,496.20
Transfers from General Fund (United States share)	1,177,000	1,177,000	1,177,000.00
Total, Canal Zone retirement and disability fund	3,808,504	3,115,518	2,618,688.18
Foreign service retirement and disability fund, Department of State:			
Deductions from salaries, etc	300,000	300,000	291,053.17
Interest on investments	275,000	275,000	242,978.75
Transfers from General Fund (United States share)	910,500	865,600	630,800.00
Total, foreign service retirement and disability fund	1,485,500	1,440,600	1,164,831.92
Total, Federal employees' retirement funds	556,230,414	486,804,434	373,601,649.02
Railroad retirement account:			
Interest on investments	14,900,000	9,600,000	5,776,849.34
Transfer from General Fund	274,901,000	296,636,000	214,801,000.00
Total, railroad retirement account	289,801,000	306,236,000	220,577,849.34
Commodity stamp trust fund:			
Sale of commodity stamps			84,513,467.25
Transfers from General Fund			70,555,322.00
Total, commodity stamp trust fund			155,068,789.25

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Federal Reserve Bank of St. Louis

TABLE 101.—*Receipts and expenditures of trust accounts, etc., actual for the fiscal year 1943 and estimated for the fiscal years 1944 and 1945, as exhibited in the Budget for 1945*—Continued

Trust accounts, etc.	Estimated, 1945	Estimated, 1944	Actual, 1943
RECEIPTS—Continued			
Other trust accounts:			
Legislative establishment:			
Library of Congress gift fund	$30,000	$110,000	$133,450.51
Library of Congress trust fund investment account	15,000	25,000	27,268.97
Library of Congress trust fund permanent loan account			40,477.87
Government Printing Office, Superintendent of Documents, unearned proceeds of sale of publications	1,600,000	1,600,000	1,882,676.72
Total, legislative establishment	1,645,000	1,735,000	2,083,874.07
The Judiciary:			
Deposits of collections:			
Clerks of the United States District Courts	3,200,000	3,100,000	2,335,352.04
Clerks of the United States Circuit Court of Appeals	375,000	350,000	279,222.20
Clerk of the United States Court of Appeals for the District of Columbia	5,500	5,200	4,744.85
Clerk of Emergency Court of Appeals	2,500	2,300	1,875.06
Total, The Judiciary	3 583,000	3,457,500	2,621,194.15
Executive Office and independent establishments:			
Canal Zone Biological Area fund, deposits		3,000	7,043.00
Deposits, compensation awards, property requisitioned for national defense	1,190,000	1,100,000	3,308,012.78
Deposits by State agencies, supply and distribution of farm labor, employment services, War Manpower Commission		850,300	85,552.74
Employees' Compensation Commission, relief and rehabilitation, and interest on investments, Longshoremen's and Harbor Workers' Compensation Act	111,000	111,000	63,630.82
Employees' Compensation Commission, receipts under District of Columbia Workmen's Compensation Act	6,500	6,500	6,122.00
Federal Communications Commission, receipts, international telecommunication settlements	15,000	15,000	17,257.01
Federal Power Commission, licenses under Federal Power Act from Indian reservations	196,403	197,792	198,865.07
General Accounting Office, withholdings from contractors for wage adjustments, act of Aug. 30, 1935	2,000	2,098	1,445.78
Interstate Commerce Commission:			
Deposits, unearned permit fees		*1,200	*2,066.75
Deposits, unearned fees, admission of attorneys	600	600	790.00
National Archives:			
National Archives trust fund donations			1,000.00
Franklin D. Roosevelt Library income account, deposits	1,500	1,500	1,195.70
Deposits, National Gallery of Art trust fund, permanent loan, act Apr. 10, 1943 (57 Stat. 62)			5,000,000.00
Securities and Exchange Commission, deposits, unearned fees	25,000	5,000	*14,912.91
National Capital Housing Authority:			
Loan by United States Housing Authority for low-rent housing fund	698,000	2,792,000	2,454,471.01
Deposits—Defense housing, temporary shelter	1,230,000	922,000	
Langston Management, deposits	114,000	114,000	112,058.79
Deposits—National defense housing	319,000	319,000	
Completed properties, deposits	823,000	670,000	542,507.46
U. S. Maritime Commission, national defense housing projects, deposits, rents (emergency fund for the President)			9,728.95

* Excess of credits (deduct).

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Federal Reserve Bank of St. Louis

TABLE 101.—*Receipts and expenditures of trust accounts, etc., actual for the fiscal year 1943 and estimated for the fiscal years 1944 and 1945, as exhibited in the Budget for 1945*—Continued

Trust accounts, etc.	Estimated, 1945	Estimated, 1944	Actual, 1943
RECEIPTS—Continued			
Other trust accounts—Continued.			
Executive Office and independent establishments—Continued.			
Veterans' Administration:			
Government life insurance fund:			
Premiums and other receipts	$47,834,500	$48,362,500	$54,369,110.00
Interest and profits on investments	40,407,950	39,693,500	35,735,135.00
Total, Government life insurance fund	88,242,450	88,056,000	90,104,245.00
Adjusted service certificate fund, interest on loans and investments	9,670,000	730,000	735,574.25
National service life insurance fund:			
Premiums	659,735,000	555,522,000	281,931,442.14
Interest and profits on investments	46,900,000	21,130,000	
Transfers from General Fund	500,000,000	250,000,000	30,933,216.76
Total, national service life insurance fund	1,206,635,000	826,652,000	312,864,658.90
Miscellaneous trust accounts:			
Funds due incompetent beneficiaries, deposits	100,000	100,000	137,218.14
General post fund, National Homes, deposits	95,000	95,000	89,602.53
Personal funds of patients, deposits	3,000,000	3,000,000	3,735,740.95
Total, Veterans' Administration	1,307,742,450	918,633,000	407,667,099.77
Welfare and Recreational Association of Public Buildings and Grounds, receipts	15,000,000	15,000,000	13,512,993.62
Total, Executive Office and independent establishments	1,327,384,453	940,741,590	432,972,794.84
Federal Security Agency:			
Civilian Conservation Corps:			
Deposit account			841,279.05
Proceeds, estates of deceased and mentally incompetent enrolled members			7,072.38
Food and Drug Administration:			
Deposits, sea-food inspection fees	8,400	8,400	2,714.32
Deposits, insulin certification fees	500	500	*585.69
Deposits, coal-tar colors, certification fees	5,000	5,000	6,445.71
Public Health Service:			
Contributions and interest on investments, National Institute of Health, conditional gift fund	5,000	5,000	11,857.50
Contributions to National Cancer Institute, unconditional gift fund		60	21.00
Narcotic farm, deposits of personal funds and earnings of inmates	65,000	65,000	94,467.69
Proceeds from effects and moneys of former patients	4,000	4,000	3,397.84
United States Marine Hospital, Carville, La., collections, leper patients' benefit fund			346.00
Deposits, erection or support of hospitals for sick or disabled seamen			5,000.00
Saint Elizabeths Hospital:			
Personal funds of patients	225,000	210,000	238,083.11
Pension money	88,000	85,000	83,873.29
Contributions, Saint Elizabeths Hospital, unconditional gift fund			10.00
Total, Federal Security Agency	400,900	382,960	1,293,982.20
Federal Works Agency:			
Public Roads Administration:			
Contributions from States, etc., cooperative work, strategic network of highways		23,000	
Proceeds, sale of materials acquired under scrap-collection program			2,714,312.01
Total, Federal Works Agency		23,000	2,714,312.01

* Excess of credits (deduct).

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TABLE 101.—*Receipts and expenditures of trust accounts, etc., actual for the fiscal year 1943 and estimated for the fiscal years 1944 and 1945, as exhibited in the Budget for 1945*—Continued

Trust accounts, etc.	Estimated, 1945	Estimated, 1944	Actual, 1943
RECEIPTS—Continued			
Other trust accounts—Continued.			
National Housing Agency:			
Deposits, operation and maintenance of resettlement projects, Federal Public Housing Authority, act Dec. 18, 1941 (55 Stat. 838)	$1,658,398	$1,768,400	$1,263,652.17
Deposits, unearned collections, Title I, National Housing Act, as amended	*862.500	*1,755,000	*1,977,667.89
Deposits, recoveries on real properties acquired under insurance granted prior to July 1, 1939, Title I, National Housing Act	35,000	40,000	42,139.18
Total, National Housing Agency	830,898	53,400	*671,876.54
Department of Agriculture:			
Forest Service, cooperative fund	2,000,000	2,000,000	2,357,542.34
War Food Administration:			
Food Distribution Administration:			
Agricultural Marketing Administration:			
Deposits of fees, inspection and grading of farm products	2,200,000	2,200,000	2,197,173.97
Deposits by producers, expenses, grading of agricultural commodities for Commodity Credit Corporation	250,000	433,000	215,000.00
Food Production Administration:			
Agricultural Adjustment Agency:			
Grain moisture content and grade determination for Commodity Credit Corporation, deposits by producers	1,350,000	1,517,300	472,610.85
Deposits of undistributed cotton price adjustment payments	1,500	1,500	1,647.37
Farm Security Administration:			
Resettlement and rural rehabilitation projects, deposits	250,000	783,400	1,283,039.11
Assets of State rural rehabilitation corporations, deposits	3,800,000	5,000,000	6,061,269.32
Reserve for maintenance and repair, lease and purchase agreements, deposits	2,500	4,000	3,764.52
Deposits toward purchase price, lease and purchase contracts	1,000	10,000	105,630.92
Miscellaneous trust accounts:			
Deposits of miscellaneous contributed funds	250,000	250,000	77,956.50
Deposits, unearned fees and other charges, sec. 8a (4), Commodity Exchange Act	10,000	10,000	12,852.00
Deposits to secure payments for reproductions of photographs, mosaics, and maps	31,000	32,000	43,271.22
Deposits, indemnity fund, county associations	350	350	118.23
Total, Department of Agriculture	10,146,350	12,241,550	12,831,876.35
Department of Commerce:			
Bureau of the Census, deposits, special statistical work	250,000	250,000	364,370.77
Bureau of Foreign and Domestic Commerce, deposits, special statistical work	3,500	3,500	17,865.00
Patent Office, deposits, unearned fees	60,000	60,000	53,918.18
Total, Department of Commerce	313,500	313,500	436,153.95
Department of the Interior:			
Office of the Secretary:			
Contributions, grazing districts	200,000	200,000	74,773.59
Deposits, unearned proceeds, lands, etc., grazing service			9,589.81
General Land Office:			
Deposits, public survey work	10,000	10,000	5,947.10
Trustee funds, Alaska town sites	2,000	2,000	1,116.30
Deposits, unearned proceeds, lands, etc.	425,000	425,000	427,234.45

* Excess of credits (deduct).

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TABLE 101.—*Receipts and expenditures of trust accounts, etc., actual for the fiscal year 1943 and estimated for the fiscal years 1944 and 1945, as exhibited in the Budget for 1945*—Continued

Trust accounts, etc.	Estimated, 1945	Estimated, 1944	Actual, 1943
RECEIPTS—Continued			
Other trust accounts—Continued.			
Department of the Interior—Continued.			
Bureau of Indian Affairs:			
Proceeds of sales and leases of Indian lands, etc	$4,100,000	$4,100,000	$4,063,715.17
Annette Islands reserve, Alaska, deposits, leases, etc	155,000	155,000	154,360.91
Proceeds of labor (act June 13, 1930)	2,250,000	2,250,000	2,233,337.38
Proceeds of labor, Indian moneys, agencies, schools, etc	550,000	550,000	545,714.48
Ottawa tribe of Indians, deposits, proceeds from damages to land			13.80
Indian ceded lands, receipts due to Indians under Grazing Act, June 28, 1934			1,020.33
Bureau of Reclamation contribution to reclamation fund	1,179,570	1,316,714	1,135,149.25
Southwestern Power Administration:			
Deposits from sale and transmission of electric energy, Grand River Dam project, Oklahoma	1,863,000	1,658,000	1,471,893.46
National Park Service:			
Donations for lands, etc	20,000	20,000	33,601.00
Preservation of birthplace of Abraham Lincoln, interest on endowment fund	2,030	2,030	2,030.00
Contributions to National Park trust fund	1,500	1,500	660.00
Income on investments	500	500	339.22
Fish and Wildlife Service:			
Deposits, contributed funds	22,000	22,000	37,143.34
Fox and fur-seal industries, Pribilof Islands, advances	165,000	170,000	46,500.00
Deposits, unearned proceeds, sales of furs	1,000	1,000	[a] *6,879.69*
Government in the Territories:			
Funds contributed for improvement of roads, bridges, and related works, Alaska	60,000	100,000	69,536.32
Total, Department of the Interior	11,006,600	10,983,744	10,306,796.22
Department of Justice:			
Legal activities and general administration:			
United States marshals, deposits of collections	750,000	750,000	284,784.29
Immigration and Naturalization Service:			
Deposits of funds of aliens who became public charges	4,000	4,000	1,058.50
Deposits to secure payment of fines and passage money	100,000	100,000	35,445.00
Deposits, unearned immigration (reentry) permit fees			[a] *27,863.15*
Deposits, unearned immigration (registry) fees			[a] *561,551.30*
Deposits, unearned naturalization fees			[a] *675,053.62*
Federal Prison System:			
Deposits of funds of Federal prisoners	1,150,000	1,093,700	1,113,483.72
Deposits of commissary funds, Federal prisons	660,000	647,000	464,512.96
Total, Department of Justice	2,664,000	2,594,700	634,816.40
Navy Department:			
Contributions to U. S. Naval Academy Museum Fund			46,640.00
Naval Reservation, Olongapo, proceeds, civic fund			825.52
Profit from sale of ships' stores	750,000	750,000	772,565.80
Navy fines and forfeitures, deposits			2,314,233.55
Pay of the Navy, deposits	1,000,000	500,000	414,457.61
Navy hospital fund, deposits			2,692,374.57
Pay of the Marine Corps, deposits	2,000,000	1,500,000	949,899.28
National defense housing projects, deposits, rents	40,000	40,000	43,323.33
Total, Navy Department	3,790,000	2,790,000	7,234,319.66

[a] Excess of credits (deduct).

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Federal Reserve Bank of St. Louis

TABLE 101.—*Receipts and expenditures of trust accounts, etc., actual for the fiscal year 1943 and estimated for the fiscal years 1944 and 1945, as exhibited in the Budget for 1945*—Continued

Trust accounts, etc.	Estimated, 1945	Estimated, 1944	Actual, 1943
RECEIPTS—Continued			
Other trust accounts—Continued.			
State Department:			
Settlement of agrarian claims against Mexico since 1927	----------	----------	[a] *$3,000,000.00*
Settlement of claims, Special Claims Commission, under art. 2 of convention, Apr. 24, 1934, between the United States and Mexico	$504,480	$509,480	514,480.20
Settlement of claims, Special Claims Commission, under art. I of agreement, Oct. 25, 1934, between the United States and Turkey	100,000	100,000	100,000.00
Collections from shipping companies for repatriation of American seamen	----------	----------	10,728.00
Deposits of collections, Mexican claims fund	2,500,000	2,500,000	9,033,658.95
Wages due American seamen	10,000	10,000	8,149.19
Estates of decedents	500	500	335.99
Deposits, unearned passport and application fees	----------	----------	6,253.20
Total, State Department	3,114,980	3,119,980	6,673,605.53
Treasury Department:			
Fiscal service:			
Proceeds of assets of Liberty Loan associations of banks and trust companies of New York	----------	----------	1.25
Proceeds of Government obligations held for rightful owners	----------	----------	285.50
Bureau of Customs:			
Customs duties, Philippine Islands	----------	----------	[a] *2,791.03*
Deposits, Philippine trust fund, Customs Service	----------	----------	1.24
Tonnage tax, Philippine Islands	----------	----------	[a] *187.62*
Bureau of Internal Revenue:			
American Samoa, coconut oil tax, internal revenue	550	550	548.43
Philippine Islands, internal revenue collections	25,000	35,000	35,192.34
Philippine Islands, coconut oil tax, internal revenue	58,000	2,000,000	2,495,816.78
Puerto Rico, internal revenue collections	7,150	7,150	130,872.66
Puerto Rico and Virgin Islands, deposits for expenses, Treasury Department, enforcement Title III, National Prohibition Act, as amended	47,880	47,884	34,636.00
United States Processing Tax Board of Review:			
Deposits, unearned fees and costs	----------	----------	200.10
Total, Treasury Department	138,580	2,090,584	2,694,575.65
War Department:			
Pay of the Army, deposit fund	40,000,000	35,000,000	31,455,188.37
Proceeds from effects of mentally incompetent soldiers	400,000	300,000	233,295.28
Proceeds from estates of deceased personnel	65,000	60,000	53,324.42
Proceeds from estates of deceased soldiers, Regular Army	400,000	350,000	372,543.05
Interest on investments, bequest of Maj. Gen. Fred C. Ainsworth to Walter Reed General Hospital	279	279	278.88
Proceeds from redemption of undelivered Liberty Loan bonds belonging to subscribers whose whereabouts are unknown	----------	----------	[a] *4,987.17*
Soldiers' Home permanent fund	2,380,000	2,380,000	3,707,588.33
Fort Monroe, Va., contributions for sewerage system	18,573	18,573	18,584.51
National defense housing projects (United States Housing Authority), deposits, rents	----------	15,000	2,469.84
Deposits, fund of civilian internees and prisoners of war	4,250,000	3,000,000	867,736.05
Moneys collected by U. S. forces in occupied territory or under martial law, Territory of Hawaii	----------	----------	65.00

[a] Excess of credits (deduct).

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Federal Reserve Bank of St. Louis

TABLE 101.—*Receipts and expenditures of trust accounts, etc., actual for the fiscal year 1943 and estimated for the fiscal years 1944 and 1945, as exhibited in the Budget for 1945*—Continued

Trust accounts, etc.	Estimated, 1945	Estimated, 1944	Actual, 1943
RECEIPTS—Continued			
Other trust accounts—Continued.			
War Department—Continued.			
Contributions for river and harbor improvements	$57,500	$206,000	$200,239.52
Contribution of funds for flood control		273,490	219,711.74
Refund of unapplied balances under Class B allotments, United States war savings bonds	2,000,000	1,800,000	
Total, War Department	49,571,352	43,403,342	37,126,097.82
District of Columbia:			
Revenues	61,432,709	66,340,115	71,109,355.00
Transfer from General Fund—United States share	6,000,000	6,000,000	6,000,000.00
Total, District of Columbia	67,432,709	72,340,115	77,109,355.00
Miscellaneous trust accounts:			
Deposits, miscellaneous and excess collections	1,200	1,200	1,901.70
Deposits of unclaimed moneys of individuals whose whereabouts are known	1,100	1,100	1,264.39
Unclaimed moneys of individuals whose whereabouts are unknown	206,205	222,605	62,489.27
Total, miscellaneous trust accounts	208,505	224,905	65,655.36
Increment resulting from reduction in the weight of the gold dollar	100,000	150,000	241,729.94
Total	1,482,330,827	1,096,645,870	596,369,262.61
Adjustments to daily Treasury statement basis			−8,294,683.43
Total other trust accounts	1,482,330,827	1,096,645,870	588,074,579.18
Total receipts, trust accounts	6,746,932,352	4,964,144,749	3,926,252,842.21
EXPENDITURES			
Unemployment trust fund:			
Investments	1,543,823,904	1,498,863,371	1,228,000,000.00
State accounts:			
Withdrawals by States	75,000,000	75,000,000	174,333,500.00
Transfer to railroad unemployment account			
Railroad unemployment insurance account, benefit payments	1,000,000	1,000,000	1,833,659.73
Total, unemployment trust fund	1,619,823,904	1,574,863,371	1,404,167,159.73
Federal old-age and survivors insurance trust fund:			
Investments	2,584,746,207	1,318,595,074	1,035,200,000.00
Benefit payments	214,000,000	181,000,000	149,303,977.71
Total, Federal old-age and survivors insurance trust fund	2,798,746,207	1,499,595,074	1,184,503,977.71
Federal employees' retirement funds:			
Civil service retirement and disability fund:			
Annuities and refunds	85,000,000	85,000,000	83,323,821.51
Investments	450,000,000	395,000,000	277,671,000.00
Alaska Railroad retirement and disability fund:			
Annuities and refunds	200,000	175,000	141,604.86
Investments	266,000	260,000	252,000.00
Canal Zone retirement and disability fund:			
Annuities and refunds	1,400,000	1,365,000	1,331,712.42
Investments	2,300,000	1,675,000	1,282,000.00
Foreign service retirement and disability fund:			
Annuities and refunds	540,000	540,000	480,558.34
Investments	895,500	900,600	673,000.00
Total, Federal employees' retirement funds	540,601,500	484,915,600	365,155,697.13

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Federal Reserve Bank of St. Louis

TABLE 101.—*Receipts and expenditures of trust accounts, etc., actual for the fiscal year 1943 and estimated for the fiscal years 1944 and 1945, as exhibited in the Budget for 1945*—Continued

Trust accounts, etc.	Estimated, 1945	Estimated, 1944	Actual, 1943
EXPENDITURES—Continued			
Railroad retirement account:			
Benefit payments	$137,000,000	$134,000,000	$130,464,800.65
Investments	152,400,000	169,100,000	86,500,000.00
Total, railroad retirement account	289,400,000	303,100,000	216,964,800.65
Commodity stamp trust fund:			
Redemption of order stamps		7,200,000	161,410,970.50
Other trust accounts:			
Legislative establishment:			
House of Representatives:			
Special deposit account, Victory tax withholdings			*[a] 33,712.30*
Architect of the Capitol:			
Oliver Wendell Holmes Memorial fund			*[a] 33,916.19*
Special deposit accounts:			
Victory tax withholdings			*[a] 11,072.87*
Other			870.40
Library of Congress:			
Gift fund	59,000	117,000	127,206.67
Income from investment account	19,000	23,000	21,636.53
Special deposit account			*[a] 51,016.16*
Government Printing Office:			
Unearned proceeds of sale, etc., of publications, Superintendent of Documents	1,600,000	1,600,000	1,613,870.42
Special deposit account:			
Victory tax withholdings			*[a] 190,059.54*
Other			123.47
Total, legislative establishment	1,678,000	1,740,000	1,443,930.43
The Judiciary:			
Fees and other collections, clerks of courts, including United States circuit courts of appeals, United States district courts, and United States Court of Appeals for the District of Columbia	3,700,000	3,600,000	3,513,559.80
Special deposit account	900,000	1,100,000	1,050,265.49
Total, The Judiciary	4,600,000	4,700,000	4,563,825.29
Executive Office and independent establishments:			
Executive Office of the President, special deposit accounts:			
The White House Office			*[a] 172.22*
Bureau of the Budget			*[a] 1.62*
National Resources Planning Board			*[a] 5,441.39*
War agencies	150,000	2,359,000	*[a] 59,446,753.14*
American Battle Monuments Commission:			
Special deposit accounts:			
Victory tax withholdings			*[a] 81.20*
Payroll allotments, war bonds			*[a] 183.75*
Bituminous Coal Consumers' Counsel:			
Special deposit accounts:			
Victory tax withholdings			*[a] 1,537.44*
Payroll allotments, war bonds			*[a] 477.50*
Canal Zone biological area fund		3,000	5,349.70
Special deposit account			300.00
Board of Investigation and Research:			
Special deposit accounts:			
Victory tax withholdings			*[a] 5,963.80*
Payroll allotments, war bonds			*[a] 2,314.00*
Civil Service Commission:			
Special deposit accounts:			
Victory tax withholdings			*[a] 154,953.76*
Payroll allotments, war bonds			*[a] 133,135.84*
Other			*[a] 31,721.70*

[a] Excess of credits (deduct).

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Federal Reserve Bank of St. Louis

TABLE 101.—*Receipts and expenditures of trust accounts, etc., actual for the fiscal year 1943 and estimated for the fiscal years 1944 and 1945, as exhibited in the Budget for 1945*—Continued

Trust accounts, etc.	Estimated, 1945	Estimated, 1944	Actual, 1943
EXPENDITURES—Continued			
Other trust accounts—Continued.			
Executive Office and independent establishments—Continued.			
Employees' Compensation Commission:			
Relief and rehabilitation, Longshoremen's and Harbor Workers' Compensation Act	$5,000	$5,000	$3,876.35
Relief and rehabilitation, District of Columbia Workmen's Compensation Act	2,500	2,500	----------
Special deposit accounts:			
Victory tax withholdings	----------	----------	[a] 11,602.93
Payroll allotments, war bonds	----------	----------	[a] 9,562.18
Other	----------	----------	27.00
Total, Employees' Compensation Commission	7,500	7,500	[a] 17,261.76
Federal Communications Commission:			
Special deposit accounts:			
Victory tax withholdings	----------	----------	[a] 53,489.36
Payroll allotments, war bonds	----------	----------	[a] 18,681.45
Other	----------	----------	[a] 433.97
International telecommunications settlements	22,000	22,000	23,334.93
Federal Emergency Relief Administration, special deposit account	----------	----------	[a] 1.30
Federal Civil Works Administration:			
Special deposit accounts	----------	----------	[a] .90
Federal Power Commission:			
Special deposit accounts:			
Victory tax withholdings	----------	----------	[a] 23,634.83
Payroll allotments, war bonds	----------	----------	[a] 24,432.44
Other	----------	----------	8,471.54
Federal Trade Commission:			
Special deposit accounts:			
Victory tax withholdings	----------	----------	[a] 20,145.74
Payroll allotments, war bonds	----------	----------	[a] 6,500.34
Other	----------	----------	1,007.84
General Accounting Office:			
Special deposit accounts:			
Victory tax withholdings	----------	----------	[a] 203,629.80
Payroll allotments, war bonds	----------	----------	[a] 146,939.44
Other	----------	----------	[a] 273,087.68
Wages of employees of contractors	4,000	1,000	1,290.29
Interstate Commerce Commission:			
Special deposit accounts:			
Victory tax withholdings	----------	----------	[a] 80,684.90
Payroll allotments, war bonds	----------	----------	[a] 53,020.98
Other	----------	----------	830.77
Unearned fees, admission of attorneys	100	100	30.00
Unearned permit fees	----------	250	538.50
National Advisory Committee for Aeronautics:			
Special deposit accounts:			
Victory tax withholdings	----------	----------	[a] 75,268.30
Payroll allotments, war bonds	----------	----------	[a] 101,222.78
Other	----------	----------	13.61
National Capital Park and Planning Commission:			
Contributed funds	----------	----------	21,722.36
Special deposit accounts:			
Victory tax withholdings	----------	----------	[a] 743.80
Payroll allotments, war bonds	----------	----------	[a] 384.46
National Labor Relations Board:			
Special deposit accounts:			
Victory tax withholdings	----------	----------	[a] 27,274.00
Payroll allotments, war bonds	----------	----------	[a] 17,442.15
Other	----------	----------	[a] 32,885.98
National Mediation Board:			
Special deposit accounts:			
Victory tax withholdings	----------	----------	[a] 5,249.45
Payroll allotments, war bonds	----------	----------	[a] 482.85
National Archives:			
Special deposit accounts:			
Victory tax withholdings	----------	----------	[a] 9,919.50
Payroll allotments, war bonds	----------	----------	[a] 5,539.99
Other	----------	----------	[a] 89.37
Franklin D. Roosevelt Library	1,700	1,700	952.89
National Archives trust fund, investment account	100	500	1,054.46

[a] Excess of credits (deduct).

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Federal Reserve Bank of St. Louis

TABLE 101.—*Receipts and expenditures of trust accounts, etc., actual for the fiscal year 1943 and estimated for the fiscal years 1944 and 1945, as exhibited in the Budget for 1945*—Continued

Trust accounts, etc.	Estimated, 1945	Estimated, 1944	Actual, 1943
EXPENDITURES—Continued			
Other trust accounts—Continued.			
Executive Office and independent establishments—Continued.			
Railroad Retirement Board:			
Special deposit accounts:			
Victory tax withholdings	----------	----------	*[a] $37,516.48*
Payroll allotments, war bonds	----------	----------	*[a] 45,977.11*
Other	----------	----------	32,202.47
Securities and Exchange Commission:			
Unearned fees	$25,000	$25,000	24,816.68
Special deposit accounts:			
Victory tax withholdings	----------	----------	*[a] 46,775.50*
Payroll allotments, war bonds	----------	----------	*[a] 29,968.18*
Other	----------	----------	*[a] 288.57*
Smithsonian Institution:			
Special deposit accounts:			
Victory tax withholdings	----------	----------	*[a] 11,300.94*
Payroll allotments, war bonds	----------	----------	*[a] 9,973.95*
National Gallery of Art:			
Special deposit accounts:			
Victory tax withholdings	----------	----------	*[a] 4,237.60*
Payroll allotments, war bonds	----------	----------	*[a] 3,218.05*
Other	----------	----------	*[a] 75.00*
The National Capital Housing Authority:			
Temporary shelter management	----------	7,000	----------
Low-rent housing fund, construction loan by U. S. Housing Authority	730,000	2,600,000	4,244,857.56
Special deposit accounts:			
Victory tax withholdings	----------	----------	*[a] 5,634.54*
Payroll allotments, war bonds	----------	----------	*[a] 4,888.41*
Other	----------	----------	*[a] 26,055.76*
Operation and maintenance, completed properties	700,000	550,000	288,706.38
Langston management	114,000	114,000	101,433.43
War housing management	300,000	300,000	----------
Total, The National Capital Housing Authority	1,844,000	3,571,000	4,598,418.66
Thomas Jefferson Memorial Commission, Victory tax withholdings, special deposit account	----------	----------	*[a] 5.20*
Thomas Jefferson Bicentennial Commission, Victory tax withholdings, special deposit account	----------	----------	*[a] 186.40*
The Tax Court of the United States:			
Special deposit accounts:			
Victory tax withholdings	----------	----------	*[a] 5,161.90*
Payroll allotments, war bonds	----------	----------	*[a] 2,011.66*
Other	----------	----------	*[a] 1,055.30*
U. S. Constitution Sesquicentennial Commission, Victory tax withholdings, special deposit account	----------	----------	*[a] 7.30*
U. S. Maritime Commission:			
Special deposit accounts:			
Victory tax withholdings	----------	----------	*[a] 236,682.41*
Payroll allotments, war bonds	----------	----------	*[a] 129,784.81*
Other	----------	----------	997,248.52
U. S. Tariff Commission:			
Special deposit accounts:			
Victory tax withholdings	----------	----------	*[a] 11,724.20*
Payroll allotments, war bonds	----------	----------	*[a] 12,493.19*
Other	----------	----------	313.36
Veterans' Administration:			
Government life insurance fund:			
Loans to policyholders and losses on converted insurance	47,074,000	46,973,000	30,838,250.88
Investments	41,168,000	41,082,000	60,748,459.00
Total, Government life insurance fund	88,242,000	88,055,000	91,586,709.88
Adjusted service certificate fund:			
Investments	*[a] 830,000*	*[a] 770,000*	*[a] 167,000.00*
Benefit payments and refunds	10,500,000	1,500,000	961,257.51
National service life insurance:			
Investments	1,003,721,000	726,333,000	326,335,044.98
Other	202,914,000	100,319,000	6,549,351.07

[a] Excess of credits (deduct).

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Federal Reserve Bank of St. Louis

TABLE 101.—*Receipts and expenditures of trust accounts, etc., actual for the fiscal year 1943 and estimated for the fiscal years 1944 and 1945, as exhibited in the Budget for 1945*—Continued

Trust accounts, etc.	Estimated, 1945	Estimated, 1944	Actual, 1943
EXPENDITURES—Continued			
Other trust accounts—Continued.			
Executive Office and independent establishments—Continued.			
Veterans' Administration—Continued.			
Other trust accounts:			
Funds due incompetent beneficiaries	$100,000	$100,000	$89,187.24
General post fund	95,000	95,000	104,156.86
Personal funds of patients	3,000,000	3,000,000	3,078,538.21
Special deposit accounts:			
Victory tax withholdings			*[a] 805,230.45*
Payroll allotments, war bonds			*[a] 710,509.77*
Other			43,270.59
Total, other trust accounts	3,195,000	3,195,000	1,799,412.68
Total, Veterans' Administration	1,307,742,000	918,632,000	427,064,776.12
Welfare and Recreational Association of Public Buildings and Grounds	13,800,000	14,650,000	13,331,797.64
Total, Executive Office and independent establishments	1,323,596,400	939,273,050	384,544,891.71
Federal Security Agency:			
Office of the Administrator, special deposit account			*[a] 701.18*
American Printing House for the Blind, to promote the education of the blind, interest	10,000	10,000	10,000.00
Civilian Conservation Corps:			
Savings fund			3,335,849.80
Estates of deceased and mentally incompetent enrolled members			8,456.64
Special deposit account			65,487.17
Total, Civilian Conservation Corps			3,409,793.61
Columbia Institution for the Deaf, special deposit account			*[a] 6,015.18*
Food and Drug Administration:			
Sea-food inspection fees	8,400	8,400	13,417.63
Coal-tar colors certification fees	300	300	290.51
Special deposit account			*[a] 2,956.15*
Freedmen's Hospital, special deposit account			*[a] 2,497.50*
Office of Education, special deposit account			*[a] 68,170.60*
Public Health Service:			
National Institute of Health, conditional and unconditional gift fund	5,000	5,000	6,290.57
National Cancer Institute, unconditional gift fund		200	
Moneys and effects of former patients	300	300	225.42
Personal funds and earnings of inmates of narcotic farms	70,000	70,000	94,756.23
Working fund, Public Health Service			[a] 80,000.00
Special deposit account			*[a] 191,392.14*
Saint Elizabeths Hospital:			
Pension money	53,000	50,000	73,838.86
Personal funds of patients	205,000	200,000	229,997.85
Special deposit account			*[a] 52.28*
Social Security Board, special deposit account			*[a] 4,708.82*
Miscellaneous:			
Special deposit accounts:			
Victory tax withholdings			*[a] 572,047.54*
Payroll allotments, war bonds			*[a] 222,078.58*
Total, Federal Security Agency	352,000	344,200	2,687,990.91
Federal Works Agency:			
Office of Administrator, special deposit account			*[a] 120,365.28*
Public Buildings Administration, special deposit account			*[a] 129,376.48*
Public Roads Administration:			
Cooperative work, strategic network of highways		23,000	39,000.00
Working fund, Federal Works Agency	120,000	206,000	28,018.91
Special deposit account	50,000	353,400	*[a] 309,309.69*

[a] Excess of credits (deduct).

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Federal Reserve Bank of St. Louis

TABLE 101.—*Receipts and expenditures of trust accounts, etc., actual for the fiscal year 1943 and estimated for the fiscal years 1944 and 1945, as exhibited in the Budget for 1945*—Continued

Trust accounts, etc.	Estimated, 1945	Estimated, 1944	Actual, 1943
EXPENDITURES—Continued			
Other trust accounts—Continued.			
Federal Works Agency—Continued.			
Public Works Administration:			
Revolving fund (act June 21, 1938)			$477,488.88
Special deposit account			*[a] 6,631.57*
Work Projects Administration:			
Sale of material acquired under scrap collection program		$1,900	2,197,000.00
Working fund		101,800	296,404.57
Special deposit account		1,788,413	4,266,966.27
Special deposit accounts:			
Victory tax withholdings			*[a] 780,415.77*
Payroll allotments, war bonds			*[a] 50,913.67*
Total, Federal Works Agency	$170,000	2,474,513	5,907,366.17
National Housing Agency:			
Office of Administrator, special deposit account			25,983.92
Federal Home Loan Bank Administration, special deposit account			17,035.71
U. S. Housing Corporation, special deposit account			*[a] 685.31*
Title I, National Housing Act, as amended, unearned collection, Federal Housing Administration	16,500	15,600	7,062.03
Title I, National Housing Act, as amended, expenses on real properties acquired under insurance granted prior to July 1, 1939, Federal Housing Administration	11,700	8,800	2,560.95
Federal Housing Administration, special deposit account			27,484.66
Federal Public Housing Authority:			
Operation and maintenance of resettlement projects	1,653,000	1,899,000	923,412.15
Special deposit account			*[a] 541,142.86*
Special deposit accounts:			
Victory tax withholdings			*[a] 393,253.53*
Payroll allotments, war bonds			*[a] 242,017.99*
Total, National Housing Agency	1,681,200	1,923,400	*[a] 173,560.27*
Department of Agriculture:			
Forest Service:			
Cooperative work	2,000,000	2,000,000	1,522,716.17
Working fund, Agriculture, Forest Service trust fund	5,000	5,000	*[a] 684.31*
War Food Administration:			
Food Distribution Administration:			
Agricultural Marketing Administration:			
Expenses and refunds, inspection and grading of farm products	3,500,000	3,500,000	2,308,173.79
Grading of agricultural commodities for Commodity Credit Corporation	400,000	390,000	275,823.52
Unearned fees and other charges, sec. 8a (4), Commodity Exchange Act			8.00
Food Production Administration:			
Agricultural Adjustment Agency:			
Moisture content and grade determinations for Commodity Credit Corporation	7,000	7,000	6,065.11
Undistributed cotton price adjustment payments, Agricultural Adjustment Administration, permanent appropriation	1,000	2,000	85.50
Farm Security Administration:			
Operation and maintenance of resettlement and rural rehabilitation projects	714,000	802,000	1,557,584.20
State Rural Rehabilitation Corporation funds	4,300,000	9,400,000	7,606,679.42
Drainage district assessments on acquired lands	7,000	7,000	6,992.01

[a] Excess of credits (deduct).

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Federal Reserve Bank of St. Louis

TABLE 101.—*Receipts and expenditures of trust accounts, etc., actual for the fiscal year 1943 and estimated for the fiscal years 1944 and 1945, as exhibited in the Budget for 1945*—Continued

Trust accounts, etc.	Estimated, 1945	Estimated, 1944	Actual, 1943
EXPENDITURES—Continued			
Other trust accounts—Continued.			
Department of Agriculture—Continued.			
War Food Administration—Con.			
Food Production Administration—Con.			
Farm Security Administration—Con.			
Liquidation of deposits, reserve for maintenance and repair, lease and purchase agreements	$8,000	$8,000	$112.08
Liquidation of deposits, lease and purchase of contracts	45,000	120,000	3,293.52
Special deposit account	----------	----------	[a] *8,410,612.81*
Farm Credit Administration, special deposit account	2,000,000	2,000,000	1,867,269.75
Miscellaneous accounts:			
Miscellaneous contributed funds, Department of Agriculture	225,000	140,000	96,326.04
Return of excess deposits for reproductions of photographs, mosaics, and maps	2,500	2,000	1,324.67
Indemnity fund, county associations, Department of Agriculture	----------	100	533.92
Unclaimed moneys of individuals whose whereabouts are known, Agriculture	100	100	81.03
Special deposit accounts:			
Victory tax withholdings	----------	----------	[a] *1,680,968.29*
Payroll allotments, war bonds	----------	----------	[a] *1,337,918.29*
Other	----------	----------	[a] *9,579,178.56*
Total, Department of Agriculture	13,214,600	18,383,200	[a] *756,293.53*
Department of Commerce:			
Working fund, Office of the Secretary	----------	----------	[a] *64.58*
Special statistical work, Census	185,000	185,000	182,552.19
Special statistical work, Foreign and Domestic Commerce	12,000	12,000	3,275.67
Unearned fees, Patent Office	30,000	30,000	30,293.31
Working fund, Patent Office	----------	10,000	1,632.12
Working fund, Commerce, Standards	----------	----------	[a] *77,198.85*
Working fund, Weather Bureau	----------	63,300	[a] *92,004.46*
Special deposit accounts, miscellaneous:			
Victory tax withholdings	----------	----------	[a] *653,812.71*
Payroll allotments, war bonds	----------	----------	[a] *572,614.28*
Other	----------	----------	46,855.54
Total, Department of Commerce	227,000	300,300	[a] *1,131,088.05*
Department of the Interior:			
Grazing districts, contributed funds	----------	----------	99,061.45
Southwestern Power Administration	1,400,000	1,500,000	1,908,436.59
Unearned proceeds of lands, etc., Grazing Service	400	400	888.54
Expenses, public survey work	10,000	10,000	8,421.82
Trustee funds, Alaska town sites	2,000	2,000	254.72
Unearned proceeds, lands, etc., General Land Office	100,000	100,000	74,619.94
Reclamation, trust funds	1,125,000	1,500,000	765,839.03
Working fund, Interior, Geological Survey trust fund	----------	----------	[a] *11,157.52*
Jefferson National Expansion Memorial, contribution	100,000	400,000	214,215.24
National Park Service, donations	28,000	59,000	67,614.23
National parks trust funds	1,500	2,200	1,000.00
Preservation, birthplace of Abraham Lincoln, National Park Service	2,030	6,200	2,447.48
Fish and Wildlife Service, contributed funds	30,000	30,000	31,039.47
Fox and fur-seal industries, Pribilof Islands	100,000	125,000	3,089.28
Expenses, sale of furs, Fish and Wildlife Service	700	700	339.98
Funds contributed for improvement of roads, bridges, and trails, Alaska	60,000	100,000	41,412.35
Special deposit accounts, miscellaneous civil:			
Victory tax withholdings	----------	----------	[a] *624,267.62*
Payroll allotments, war bonds	----------	----------	[a] *448,089.40*
Other	----------	----------	152,338.79
Miscellaneous trust funds of Indian tribes, etc.	6,000,000	5,000,000	5,128,984.60
Indian moneys, proceeds of labor, agencies, schools, etc.	500,000	350,000	305,174.65

[a] Excess of credits (deduct).

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Federal Reserve Bank of St. Louis

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Trust accounts, etc.	Estimated, 1945	Estimated, 1944	Actual, 1943
EXPENDITURES—Continued			
Other trust accounts—Continued.			
Department of the Interior—Continued.			
Special deposit accounts, Bureau of Indian Affairs:			
Victory tax withholdings			*[a] $156,190.77*
Payroll allotments, war bonds			*[a] 107,623.40*
Other		$3,000,000	*[a] 3,569,719.55*
Total, Department of the Interior	$9,459,630	12,185,500	3,888,184.90
Department of Justice:			
Working fund, Office of the Attorney General			4,206.75
Disposition of deposits of aliens who become public charges	4,000	4,200	227.10
Return of deposits to secure payment of fines and passage money, Immigration and Naturalization Service	100,000	100,000	149,770.93
Fees and other collections, United States marshals	750,000	756,400	320,672.44
Working fund, Justice, miscellaneous trust funds		21,000	*[a] 21,253.20*
Funds of Federal prisoners	1,150,000	1,150,000	1,062,646.47
Commissary fund, Federal prisons	660,000	659,800	457,692.33
Special deposit accounts:			
Victory tax withholdings			*[a] 783,779.19*
Payroll allotments, war bonds			*[a] 987,441.24*
Other			*[a] 269,968.64*
Total, Department of Justice	2,664,000	2,691,400	*[a] 67,226.25*
Department of Labor:			
Working fund, Labor Statistics			*[a] 2,934.00*
Working fund, Children's Bureau			*[a] 508.71*
Special deposit accounts:			
Victory tax withholdings			*[a] 164,069.22*
Payroll allotments, war bonds			*[a] 182,440.06*
Other			*[a] 32,804.12*
Total, Department of Labor			*[a] 382,756.11*
Navy Department	1,993,000	1,610,900	*[a] 5,201,687.46*
Post Office Department, special deposit account payable from Treasury			79.45
Department of State, miscellaneous trust accounts	3,114,000	3,119,000	1,817,287.96
Treasury Department:			
Outstanding liabilities			*[a] 672,753.07*
Payment of unclaimed moneys (annual appropriation)	15,000	27,650	9,095.76
Philippine trust fund, Customs Service			83.60
Philippine trust fund (import duties)			32.10
Special deposit account, Bureau of Customs			*[a] 208,254.94*
Philippine trust fund (internal revenue)	35,000	1,297,000	394.67
Philippine trust fund, coconut oil tax (internal revenue)	2,000,000	1,163,000	3,652,848.99
Puerto Rico trust fund (internal revenue)	7,000	336,700	1,004.24
American Samoa trust fund, coconut oil tax (internal revenue)	600	6,000	
Expenses, Treasury Department, enforcement Title III, National Prohibition Act, as amended, Puerto Rico and Virgin Islands	50,000	50,000	*[a] 41,112.78*
Special deposit account, Bureau of Internal Revenue			946,996.79
Return of miscellaneous and excess collections			256.30
United States Processing Tax Board of Review, unearned fees and costs			23.05
Return of proceeds of assets of Liberty Loan associations of banks and trust companies of New York			508.11
Special deposit accounts, miscellaneous:			
Victory tax withholdings			*[a] 1,898,906.26*
Payroll allotments, war bonds			*[a] 846,636.90*
Other			*[a] 18,468,894.49*
Total, Treasury Department	2,107,600	2,880,350	*[a] 12,525,314.83*

[a] Excess of credits (deduct).

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TABLE 101.—*Receipts and expenditures of trust accounts, etc., actual for the fiscal year 1943 and estimated for the fiscal years 1944 and 1945, as exhibited in the Budget for 1945*—Continued

Trust accounts, etc.	Estimated, 1945	Estimated, 1944	Actual, 1943
EXPENDITURES—Continued			
Other trust accounts—Continued.			
War Depaatment:			
Military trust funds	$18,800	$18,800	[a] *$44,612,834.67*
Civil functions:			
Rivers and harbors:			
Funds contributed for river and harbor improvements	57,500	350,000	409,757.93
Funds advanced for improvement of rivers and harbors		71,500	152,062.96
Funds contributed for flood control, rivers and harbors		1,234,000	482,039.68
Funds advanced for flood control, rivers and harbors		1,472,000	1,371,096.79
Working fund, War, Engineers, civil trust fund		18,625,000	[a] *18,625,813.76*
Special deposit accounts:			
Payroll allotments, war bonds			[a] *721,909.12*
Other			[a] *10,417.57*
Total, rivers and harbors	57,500	21,752,500	[a] *16,943,183.09*
Miscellaneous civil functions:			
Expenses, U. S. Soldiers' Home (annual appropriation)	1,177,500	1,160,000	883,109.43
Army allotments, transfer to Veterans' Administration, act Oct. 6, 1917			39.00
Estates of deceased soldiers, United States Army	175,000	125,000	86,080.21
Proceeds from effects of mentally incompetent soldiers	200,000	100,000	58,638.66
Proceeds from estates of deceased personnel	25,000	10,000	271.50
Pay of the Army, deposit fund	7,500,000	4,000,000	1,582,135.61
Funds of civilian internees and prisoners of war	3,500,000	2,500,000	683,629.44
Return of proceeds of undelivered Liberty Loan bonds belonging to subscribers whose whereabouts are unknown			[a] *275.17*
Unclaimed moneys of individuals whose whereabouts are known	50	50	14.68
Special deposit accounts:			
Victory tax withholdings			[a] *2,920.20*
Other			[a] *12,984.92*
Total, miscellaneous civil functions	12,577,550	7,895,050	3,277,738.24
Panama Canal:			
Working fund, Panama Canal trust fund		7,800	[a] *7,893.02*
Special deposit accounts:			
Victory tax withholdings			[a] *6,283.00*
Payroll allotments, war bonds			[a] *252,322.38*
Total, Panama Canal		7,800	[a] *266,498.40*
Total, civil functions	12,635,050	29,655,350	[a] *18,931,943.25*
Total, War Department	12,653,850	29,674,150	[a] *58,444,777.92*
District of Columbia	74,058,764	71,049,401	59,587,776.09
Chargeable against increment on gold, melting losses, etc			1,512.56
Total	1,451,570,044	1,092,349,364	385,760,143.05
Adjustment to daily Treasury statement basis			—124,411,400.63
Total, other trust accounts	1,451,570,044	1,092,349,364	261,348,742.42
Total, trust accounts	6,700,141,655	4,962,023,409	3,593,551,348.14
Transactions in checking accounts of Government corporations and credit agencies (net)	3,161,000,000	6,095,000,000	2,193,685,465.83
Total, trust accounts and Government corporations, etc	9,861,141,655	11,057,023,409	5,787,236,813.97

[a] Excess credits (deduct).

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TABLE 102.—*Summary of cash operations of the United States Treasury for the fiscal year 1943 and estimated for the fiscal years 1944 and 1945, as exhibited in the Budget for 1945*

Description	Estimated, 1945	Estimated, 1944	Actual, 1943 [1]
GENERAL FUND BALANCE			
Treasury cash balance at beginning of year	$9,552,588,041	$9,506,565,926	$2,991,147,215.77
Receipts (based on present legislation):			
General and special accounts (net) [2]	40,769,000,000	41,186,020,000	22,281,642,709.24
Trust accounts (including transfers from general and special accounts)	6,746,932,352	4,964,144,749	3,926,252,842.21
Total receipts	47,515,932,352	46,150,164,749	26,207,895,551.45
Borrowings (net increase in direct public debt)	60,400,000,000	60,903,909,670	64,273,645,213.68
Total cash balance, receipts, and borrowings	117,468,520,393	116,560,640,345	93,472,687,980.90
Expenditures:			
General and special accounts (excluding statutory public debt retirements)	97,954,236,900	95,951,028,895	78,178,885,240.87
Checking accounts of Government corporations and credit agencies, etc., with the Treasurer of the United States	3,161,000,000	6,095,000,000	2,193,685,465.83
Trust accounts	6,700,141,655	4,962,023,409	3,593,551,348.14
Total expenditures	107,815,378,555	107,008,052,304	83,966,122,054.84
Treasury cash balance at end of year	9,653,141,838	9,552,588,041	9,506,565,926.06
EFFECT OF OPERATIONS ON THE PUBLIC DEBT			
Public debt at beginning of year	197,600,000,000	136,696,090,330	72,422,445,116.22
Net increase in public debt during year:			
General and special accounts, excess of expenditures over receipts	57,185,236,900	54,765,008,895	55,900,705,931.63
Checking accounts of Government corporations and credit agencies, etc., net expenditures	3,161,000,000	6,095,000,000	2,193,685,465.83
Trust accounts, excess of receipts over expenditures	−46,790,697	−2,121,340	−332,701,494.07
Statutory public debt retirements			−3,463,400.00
Adjustment for increase in Treasury cash balance	100,553,797	46,022,115	6,515,418,710.29
Increase in public debt during year	60,400,000,000	60,903,909,670	64,273,645,213.68
Public debt at end of year	258,000,000,000	197,600,000,000	136,696,090,329.90

[1] On basis of daily Treasury statement.
[2] Excludes net appropriation to Federal old-age and survivors insurance trust fund.

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INDEX

[Note.—The year, except where otherwise indicated, refers to the fiscal year ended June 30]

A

	Page
Accounts, Bureau of:	
Administrative report	163
Agent cashiers outside of Treasury designated	169
Bonded certifying officers, number	169
Budgetary administration and financial reporting regulations	163
Card checks substituted for paper checks drawn on Treasurer of U. S.	169, 214
Chief Disbursing Officer, provision for transaction of public business in case of death or resignation of	170
Depositaries, Government, designation and supervision of	170
Depositary system, changes in	171
Disbursement, Division of, expenditures by States	530
Disbursing functions	168
Emergency Relief Accounting Organization, liquidation of	198
Foreign checks held in special deposit account	180
Government Losses in Shipment Act operations	173
Investment activities	180
Payroll savings plan, bonds issued to Federal employees under (*see also* Payroll savings plan)	169
Receipt, appropriation, and expenditure accounts maintained	167
Staggered pay days and cash payments to lower-grade employees inaugurated	170
Surety bond operations	175
Victory tax withheld from salaries of Federal employees	169
Voting by armed forces:	
Expenses of States to be reimbursed	446
Payments to States for expenses of	164
Accounts through which Treasury operations are effected, description of	460
Adjusted service bonds. (*See* Public debt.)	
Adjusted service certificate fund	474, 494, 674
Administrative and staff officers of the Treasury Department, Nov. 15, 1943	xx
Admissions tax	11, 502, 506, 765
Agencies, Government. (*See* Contingent liabilities of United States; Corporations and agencies, Government; also titles of certain specific agencies.)	
Agricultural adjustment taxes, claims paid	238
Agricultural programs, expenditures:	
1943 by months and 1942 and 1943	482
1943 by States	719
Ainsworth Library fund, Walter Reed General Hospital	674
Airplanes and passengers entering United States 1942 and 1943	224
Alaska Railroad retirement and disability fund	474, 494, 675, 786, 792
Alcohol Tax Unit. (*See* Internal Revenue Bureau.)	
Alcoholic beverages. (*See* Liquor.)	
Alien property investment account	217
Alien property trust fund	176
Appliances, electric, gas, and oil, tax	765
Armenia, obligations owned by United States, status Nov. 15, 1943	672
Attorneys and agents enrolled and disbarred	270
Automobiles and boats use tax	11, 502, 506, 765
Automobiles entering United States 1942 and 1943	223
Automobiles, trucks, tires, inner tubes, etc., taxes	11, 502, 765

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Federal Reserve Bank of St. Louis

B

Back taxes. (*See* Internal Revenue Bureau, Income Tax Unit; Receipts; Taxes, Income.)
Banks: Page
Banking facilities established on military reservations 162
Deposit insurance assessments on and reserves against Treasury balances, law suspended 367
Depositaries and financial agents designated for receipt of withheld taxes 171
Investments in and loans upon Government securities, policy 79, 340
Security holdings, amounts:
1937–43, June 30 750
Direct and guaranteed debt by tax-exemption provisions of each issue, quarterly dates from Mar. 31, 1941 731
Banks for cooperatives 670, 694, 704
Bases of tables, explanation of 459
Beer tax 501, 504, 764
Belgium, obligations owned by United States. (*See* Foreign government obligations owned by United States.)
Bonds, issues of capital stock, deeds of conveyance, etc., taxes 501, 505, 765
Bowling alleys and billiard and pool tables, taxes 502, 506, 766
Brazil, stabilization agreement extended 115, 348
Budget and Improvement Committee, administrative report 218
Budget estimates. (*See* Expenditures; Receipts.)
Budgetary administration and financial reporting 163
Business and store machines taxes 765
Butter, adulterated, mixed flour, and filled cheese, taxes 502

C

Canal Zone Postal Savings System, securities issued on credit of United States outstanding June 30, 1943 657
Canal Zone retirement and disability fund 474, 494, 676, 786, 792
Capital stock sales or transfer tax 501, 505
Capital stock tax (*see also* Internal Revenue Bureau, Miscellaneous Tax Unit; Taxes) 11, 238, 239, 501, 504, 764
Cargoes, Incorporated 670
Carriers Taxing Act taxes (*see also* Internal Revenue Bureau):
1936–41 combined, 1942, and 1943 by months 514
1936–43 by years 506
1942 and 1943 11, 503
1943 by months 472
1943 and estimates for 1944 and 1945 137, 766
Administration of taxes. (*See* Internal Revenue Bureau, Accounts and Collections Unit.)
Estimates for 1944 and 1945, discussion 149, 157
Refunds 1936–41 combined, 1942, and 1943 by months 520
Certificates of indebtedness. (*See* Public debt.)
Charts:
1. Treasury organization xxiv
2. Receipts 1937–43 by years and major sources 9
3. Expenditures 1937–43 by years and major functions 21
4. Monthly expenditures by classes 1941–43 23
5. War expenditures compared with munitions production monthly 1941–43 27
6. Sales of E, F, and G savings bonds September 1941–June 1943 by months 43
7. Series E war savings bonds of each denomination sold September 1941–June 1943 by months 45
8. Participation in payroll savings plan December 1941–June 1943 47
9. Sales of savings bonds compared with redemptions December 1941–June 1943 49
10. Sales of Series E war savings bonds compared with redemptions, December 1941–June 1943 51
11. Composition of the public debt, by types of issues, June 1936–June 1943 59

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Federal Reserve Bank of St. Louis

Charts—Continued. Page
12. Yields of obligations of the United States on selected dates 61
13. Computed annual interest rates on the public debt, by types of issues, June 1935–June 1943 62
14. Gross national product and the disposition of the income generated by production, 1943 67
Checking accounts of Government agencies, net transactions:
1932–43 by years and 1942 by months 465
1942 and 1943 30
1943 by months and 1942 and 1943 496
1943 and estimates for 1944 and 1945 800
Discussion 30
Checks, drafts, or orders for payment of money, taxes 506
Chief Disbursing Officer, provision for transaction of public business in case of death or resignation of 170, 447
China:
Agreement extended for purchase of yuan 347
Appropriation and expenditures for aid to 542
Stabilization arrangement extended 115, 348
Cigar taxes 501, 765
Cigarette papers and tubes taxes 502, 765
Cigarette taxes 501, 765
Circulars, Department, Nos.:
92 (Revised), revised Apr. 14, 1943, prescribing regulations governing special depositaries 368
418, amendments Oct. 24, 1942, and May 5, 1943, governing offerings of Treasury bills 334
530, Fifth Revision, first amendment, Nov. 23, 1942, to regulations governing U. S. savings bonds 329
653, Revised, first amendment, June 17, 1943, Series E savings bonds 330
654, Revised, first amendment, Nov. 30, 1942, Series F and G savings bonds 330
654, Revised, second amendment, June 17, 1943, Series F and G savings bonds 331
657, third amendment, July 17, 1942, qualification of issuing agent for Series E savings bonds 331
660, first amendment, July 28, 1942, depositary bonds 339
660, first supplement, June 29, 1943, depositary bonds, Second Series 328
685, first amendment, Jan. 21, 1943, Treasury bonds of 1962–67, coupon form 339
689, July 8, 1942, Treasury bonds of 1949–51 289
691, Sept. 10, 1942, certificates of indebtedness Series C–1943 295
692, Aug. 3, 1942, Treasury bonds of 1962–67 (additional) 291
692, first amendment, Jan. 21, 1943, Treasury bonds of 1962–67, coupon form 339
693, Aug. 6, 1942, certificates of indebtedness Series B–1943 293
694, Sept. 10, 1942, Treasury notes Series C–1945 296
695, Sept. 12, 1942, Treasury notes Tax Series A–1945 298
696, Sept. 12, 1942, Treasury notes Tax Series C 302
696, first amendment, June 22, 1943, changing designation of Treasury notes Tax Series C 339
697, Sept. 28, 1942, eighth call for partial redemption of mutual mortgage insurance fund debentures, Series B 340
698, Oct. 8, 1942, Treasury bonds of 1950–52 307
699, Oct. 8, 1942, Treasury notes Series B–1946 308
700, Oct. 26, 1942, certificates of indebtedness Series D–1943 310
701, Nov. 30, 1942, Treasury bonds of 1963–68 312
702, Nov. 30, 1942, Treasury bonds of 1948 313
703, Nov. 30, 1942, certificates of indebtedness Series E–1943 314
704, Dec. 29, 1942, U. S. savings bonds as credit against Victory tax 332
705, Jan. 21, 1943, certificates of indebtedness Series A–1944 316
706, Jan. 26, 1943, regulations governing payment of awards and appraisals in favor of U. S. nationals on claims against Mexico 453
708, Apr. 12, 1943, Treasury bonds of 1964–69 319
709, Apr. 12, 1943, Treasury bonds of 1950–52 320
710, Apr. 12, 1943, certificates of indebtedness Series B–1944 321
711, Apr. 20, 1943, certificates of indebtedness Series C–1944 324

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Federal Reserve Bank of St. Louis

Circulars, Department, Nos.—Continued.
712, Mar. 27, 1943, ninth call for partial redemption of mutual mortgage insurance fund debentures, Series B—Page 342
713, Mar. 27, 1943, first call for partial redemption of housing insurance fund debentures, Series D— 345
714, June 25, 1943, regulations governing payment through depositaries of withheld taxes— 371
714, first amendment, July 22, 1943, regulations governing payment through depositaries of withheld taxes— 378
715, June 22, 1943, termination of sales of tax savings notes of Series A and provision for cash redemption— 326
716, June 28, 1943, Treasury notes Series A–1947— 327
Civil service retirement and disability fund— 474, 494, 677, 786, 792
Civilian Conservation Corps— 486
Claims for relief on account of lost, stolen, destroyed, or mutilated securities— 203, 205
Coal tax— 238, 239, 502, 506
Coconut, etc., oils processed, taxes— 502, 506, 765
Coin-operated amusement and gaming devices taxes— 502, 506, 765
Coins. (*See* Mint Service; Money.)
Colorado River Dam fund— 167
Commodity Credit Corporation:
Assets and liabilities— 165, 694
Capital impairment, appropriations for restoration of— 165
Excess capital deposits by— 597
Proprietary interest of United States in, 1934–43 by years— 704
Securities guaranteed by United States outstanding June 30, 1943— 656
Securities owned by United States— 670
Commodity stamps for food and cotton products, etc.:
Issued and redeemed 1939–43 by years and 1943 by months— 730
Receipts from sale 1943 by months— 474
Redemptions 1943 by months and 1942 and 1943— 494
Trust fund expenditures 1943 and estimates for 1944— 793
Comptroller of Currency, Bureau of, administrative report— 218
Contingent liabilities of United States:
Holders of guaranteed debt by classes of holders and by tax-exemption provision of each issue, quarterly dates from Mar. 31, 1941— 731
Obligations issued on credit of United States outstanding 1934–43 by years— 660
Outstanding June 30:
1934–43 by years and agencies— 660
1943 by agencies— 696
1943 principal and interest— 656
Securities guaranteed by United States:
1934–43, June 30— 660
1943, June 30, in detail— 656
Borrowing power of Government agencies and outstanding obligations— 66
Call notices for redemption of— 340–347
Description of— 656
Discussion— 63
Holders, amounts:
1932–43 by tax status— 755
1937–43— 750
1941–43 by issues and tax status— 731
1943 by tax status— 752
Matured and redeemed— 63
Outstanding June 30, 1942 and 1943, by agencies— 64
Prices and yields of marketable securities June 30, 1943— 663
Contributed funds. (*See* Social Security Act, Federal Insurance Contributions Act; Trust accounts; War contributions fund.)
Conversion bonds. (*See* Public debt.)
Corporation income tax. (*See* Taxes.)
Corporations and agencies, Government (*see also* Contingent liabilities of United States):
Assets and liabilities June 30, 1943— 694
Borrowing power, limitations and outstanding obligations— 66

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Federal Reserve Bank of St. Louis

Corporations and agencies, Government—Continued.
Capital stock and obligations of: Page
Held by Treasurer June 30, 1942 and 1943 217
Owned by United States June 30, 1943 696
Checking accounts with Treasurer, sales and redemptions of obligations (net) 1943 by months and 1942 and 1943 496
Expenditures 1943 and estimates for 1944 and 1945 776
Investments June 30, 1943 694
Loans and subscriptions to capital stock June 30, 1943 694
Paid-in surplus subscribed to 696
Proprietary interest of United States in:
1932–43, June 30 704
1943, June 30 696
Discussion 114
Securities owned by United States:
1943, June 30, by corporations, etc 670
Discussion 113
Sources of funds by agencies:
1942 and 1943, summary 31
1943 and cumulative 706
Uses of funds by agencies:
1942 and 1943, summary 31
1943 and cumulative 708
Credit agencies. (*See* Corporations and agencies, Government.)
Cuba:
Gold sales to, agreement 114, 347
Indebtedness to United States, status Nov. 15, 1943 672
Cumultive sinking fund. (*See* Public debt, Operations.)
Currency. (*See* Money.)
Customhouse brokers, licenses issued, canceled, and suspended 270
Customs, Bureau of (*see also* Receipts):
Administration cost 233
Administrative report 220
Appraisement activities 226
Collections:
1942 and 1943 221
Discussion 220
For other departments, bureaus, etc 510
Customs Agency Service activities 231
Drawback:
Payments on principal commodities 1942 and 1943 225
Transactions 1942 and 1943 225
Entries of merchandise of 1942 and 1943, number 222
Expenditures:
1943 by States 530
1943, summary 510
Fines, penalties, etc., collections 230
Laboratory analysis of samples of merchandise 227
Law enforcement activities 227
Legal proceedings 230
Marine activities 232
Ports and stations, changes in 233
Protests and appeals 1942 and 1943 226
Refunds 1942 and 1943 221
Seizures:
1942 and 1943 by principal types 228
Boats, automobiles, airplanes, and horses 1942 and 1943 230
By Customs Service and other Government agencies, and number of arrests 229
By Customs Service for other Government agencies 230
Tariff activities 231
Vehicles and persons entering United States 1942 and 1943 223
War activities 119, 232
Czechoslovakia. (*See* Foreign government obligations owned by United States.)

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Federal Reserve Bank of St. Louis

D

Page

Daily Statement of U. S. Treasury, classification and other changes 164
Defense Homes Corporation 546, 670
Defense Plant Corporation 546, 670
Defense Supplies Corporation 546, 670
Deficit. (*See* Surplus or deficit of receipts and expenditures.)
Departments and establishments, regular governmental. (*See* Expenditures.)
Depositaries, Government:
- Banks designated as depositaries for receipt of withheld taxes 171
- Depositary bonds allotted to 172
- Depositary bonds to offset additional costs incurred by 373
- Foreign, established 161
- Insurance assessment payments suspended on deposits from sale of Government securities 171
- Number, amount of deposits, by classes of depositaries 171
- Regulations governing, amended 368, 378
- Reserve requirements suspended on deposits from sale of Government securities 171
- Unemployment compensation benefit payment accounts service by ... 173
- War loan deposits:
  - Deposit insurance assessments on, suspended 79
  - Reserve requirements suspended relative to 79
- Withheld taxes paid through 371

Disaster Loan Corporation 670, 694, 704
Distilled spirits tax 238, 501, 504, 764
District of Columbia:
- Blackout loans to 695, 705
- Expenditures 494
- Receipts 476

District of Columbia teachers' retirement fund 217, 678
District of Columbia water fund 217, 679
District of Columbia workmen's compensation fund 679
Dues, club, and initiation fees, taxes 502, 506, 765

E

Ecuador, stabilization agreement extended 115, 349
Electric, gas, and oil appliances taxes 502
Electric Home and Farm Authority 704
Electric light bulbs and tubes taxes 502, 765
Electric signs tax 502
Electrical energy tax 11, 502, 765
Emergency Relief Appropriation Acts, expenditures Apr. 8, 1935, to June 30, 1943, by organizations and years 511
Employees, Treasury Department. (*See* Personnel.)
Employment taxes (*see also* Carriers Taxing Act taxes; Social Security Act):
- 1936–41 combined, 1942, and 1943 by months 514
- 1936–43 by years 506
- 1942 and 1943 11
- 1943 by months 472
- 1943 by States 508
- 1943 and estimates for 1944 and 1945 ..... 137, 766
- Assessments, additional by Bureau of Internal Revenue, 1942 and 1943 239
- Estimates of receipts for 1944 and 1945 and actual for 1943 as percentage of total receipts 136

Engraving and Printing, Bureau of:
- Administrative report 234
- Deliveries of finished work 1942 and 1943 234
- Funds available and expenditures 1942 and 1943 236
- Postage stamp dies engraved 235

Estate tax (*see also* Internal Revenue Bureau, Miscellaneous Tax Unit; Taxes) 11, 238, 239, 501, 504, 764
Estimates of receipts and expenditures. (*See* Expenditures; Receipts.)
Estonia, obligations owned by United States. (*See* Foreign government obligations owned by United States.)

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Federal Reserve Bank of St. Louis

Page
Excess profits tax (*see also* Taxes) 10, 501, 503, 508, 764
Exchange stabilization fund. (*See* Stabilization fund.)
Excise tax interdepartmental committee organized 91
Expenditures (*see also* Federal aid to States; Surplus or deficit):
1789–1943 by years 466
1932–43 by years and 1943 by months, summary 463
1941–43 by months 24
1943 by months and 1942 and 1943, summary and details 478
1943 and estimates for 1944 and 1945, details 776
Debt retirements, statutory (sinking fund, etc.):
1918–43 by years 469
1943 by months and 1942 and 1943 492
Departmental:
1943 by months and 1942 and 1943, classified 480
1943 and estimates for 1944 and 1945, details 777, 779
Emergency Relief Appropriation Acts. (*See* Emergency Relief Appropriation Acts.)
Estimates for 1944 and 1945:
Details 776
Summary 158
General:
1941–43 by years 22
1943 and estimates for 1944 and 1945, details 778
Discussion 29
General and special accounts:
1932–43 by major functions and years 500
1932–43 by years and 1943 by months, summary 462
1941–43 by years 20
1941–43 by years and functions 22
1943 by months and 1942 and 1943, details 480
1943 and estimates for 1944 and 1945 776
Discussion 20
Gold increment, chargeable against. (*See* Gold.)
Interest on public debt. (*See* Public debt.)
Public debt by classes, 1943 by months and 1942 and 1943 (*see also* Public debt) 572
Public works 1932–43 by years 500
Railroads. (*See* Railroads, Federal control of.)
Railroad Unemployment Insurance Act. (*See* Railroad unemployment insurance.)
Refunds:
1943 by months and 1942 and 1943 488
1943 and estimates for 1944 and 1945 784
Refunds, drawbacks, and stamp redemptions, Bureau of Internal Revenue, total by appropriations 237
Relief and work relief:
1933–43 by years 500
1943 and estimates for 1944 and 1945 784
Revolving funds. (*See* Revolving funds.)
Social Security Act. (*See* Social Security Act.)
Transfers to trust accounts, etc:
1932–43 by years and 1943 by months 463
1943 by months and 1942 and 1943 492
Treasury Department activities by States 530
Trust accounts. (*See* Trust accounts.)
Unemployment trust fund. (*See* Unemployment trust fund.)
War activities. (*See* War activities.)
Export-Import Bank of Washington 670, 694, 704

F

Farm Credit Administration:
Assets and liabilities 694
Expenditures 484, 490
Notes received by, owned by United States 670
Proprietary interest of United States in, 1933–43 by years 704
Farm Security Administration 484, 670, 694, 704, 723
Farm Tenant Act 484

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Federal Reserve Bank of St. Louis

Page

Federal aid to States, etc., expenditures for:
1920, 1930, 1940, and 1943, by appropriations 715
1943 by States, classified 719
Federal Crop Insurance Corporation 670, 694, 704
Federal Deposit Insurance Corporation 217, 670, 694, 704
Federal Farm Mortgage Corporation:
Assets and liabilities 694
Proprietary interest of United States in, 1934–43 by years 704
Reduction in interest rate on mortgages:
Expenditures for 484
Payments on accounts of 195
Securities guaranteed by United States outstanding June 30, 1943 656
Securities held by Treasurer for, June 30, 1942 and 1943 217
Securities owned by United States June 30, 1943 670
Federal home loan banks:
Assets and liabilities 694
Capital stock owned by United States 670
Proprietary interest of United States in, 1933–43, by years 704
Federal Housing Adminstration:
Assets and liabilities 694
Borrowing power extended 64
Proprietary interest of United States in, 1935–43 by years 704
Securities guaranteed by United States outstanding June 30, 1943 656
Federal Insurance Contributions Act. (*See* Social Security Act.)
Federal intermediate credit banks 597, 670, 694, 704
Federal land banks (*see also* Corporations and agencies, Government):
Assets and liabilities 694
Capital stock and paid-in surplus subscribed to by Government 484, 670
Capital stock subscribed to by Government, amount and shares repaid, by banks 196
Paid-in surplus subscribed to by Government, amount and repayments, by banks 197
Proprietary interest of United States in, 1932–43 by years 704
Reduction in interest rates on mortgages:
Expenditures for 484
Payments on account of 196
Federal National Mortgage Association 670, 694, 704
Federal old-age and survivors insurance trust fund:
Appropriations and expenditures 1943 and total to June 30, 1943 522
Discussion 166
Expenditures, investments and benefit payments:
1937–43 by years and 1943 by months 465
1943 by months and 1942 and 1943 494
1943 and estimates for 1944 and 1945 792
Receipts, net appropriations:
1937–43 by years and 1943 by months 464
1943 by months 474
1943 and estimates for 1944 and 1945 786
Status June 30, 1943 680
Federal Prison Industries, Inc 694, 704
Federal Public Housing Authority:
Assets and liabilities 694
Expenditures 486
Proprietary interest of United States in 704
Securities guaranteed by United States outstanding June 30, 1943 657
Securities owned by United States 670
Federal Reserve Banks:
Advances to, for industrial loans:
1935–43 by years 705
Amounts and repayments, by banks 166
Money held by, June 30, 1915–43 710
Security holdings, amounts 1913–43 by tax status 758
Federal Reserve Bank notes. (*See* Money.)
Federal Reserve notes. (*See* Money.)
Federal savings and loan associations:
Capital stock and income shares owned by United States 670
Fiscal agents for collecting delinquent accounts, number eligible 173

Digitized for FRASER
http://fraser.stlouisfed.org/
Federal Reserve Bank of St. Louis

Federal savings and loan associations—Continued.
Preferred and full-paid income shares subscribed to by Secretary of Treasury and dividends received — Page 198
Proprietary interest of United States in — 695, 705
Federal Savings and Loan Insurance Corporation — 217, 670, 694, 704
Federal Security Agency, proprietary interest of United States in — 704
Federal supplies and equipment, provision for effective utilization — 124
Federal Unemployment Tax Act (*See* Social Security Act.)
Federal Works Agency:
Expenditures for war activities, 1942 and 1943 by months — 544
Securities on advances to States, etc., owned by United States — 670
War activities, appropriations, contract authorizations, and expenditures — 542
Fermented malt liquor tax. (*See* Beer tax.)
Financing, Treasury (*see also* Public debt):
Absorption of securities by investor classes — 71
Bank borrowing, Treasury's position on — 77
Commercial banks:
Absorption of securities — 77
Relationship to financing defined by law — 78
First War Loan sales of securities and goal — 36
Sales organization — 41
Second War Loan sales of securities and goal — 39
Secretary of Treasury:
Message to American Bankers Association Sept. 1, 1942 — 386
Statement Sept. 5, 1942 — 388
Statement Dec. 6, 1942, First War Loan — 393
Sources of funds for borrowing — 66
Summary of operations — 33
Under Secretary of Treasury's address Oct. 19, 1942, on war financing — 390
War Finance Division — 282
Wartime borrowing principles — 5
Finland, obligations owned by United States. (*See* Foreign government obligations owned by United States.)
Firearms, shells, and cartridges, tax — 502
Fiscal Service. (*See* Accounts Bureau; Public Debt Bureau; Treasurer of United States.)
Floor stocks taxes, liquors — 501, 764
Foreign check control, checks held in special deposit account — 180
Foreign Funds Control:
Administrative report — 236
Discussion of activities — 125
Orders affecting — 384
Transactions effected by licenses — 236
Foreign government obligations owned by United States:
Amounts due and not paid Nov. 15, 1943, by countries — 182
Amounts due and payable, by countries — 181
Discussion — 180
Indebtedness, total, and payments received 1928–43 by years — 673
Interest received 1943 by months — 472
Payments, by countries, principal and interest, to Nov. 15, 1943 — 672
Public debt retirements from payments on — 597
Securities held by Treasurer for Secretary of Treasury June 30, 1942 and 1943 — 217
Foreign service retirement and disability fund — 476, 494, 685, 786, 792
France, obligations owned by United States. (*See* Foreign government obligations owned by United States.)
Furs tax — 502, 765

G

Gasoline tax — 11, 502, 765
General Fund:
Assets and liabilities June 30, 1942 and 1943 — 666
Balance:
1915–43, June 30 — 598
1942 and 1943, June 30 — 667

Digitized for FRASER
http://fraser.stlouisfed.org/
Federal Reserve Bank of St. Louis

	Page
General Fund—Continued.	
Balance—Continued.	
1943 by months, classified	667
1943 and estimates for 1944 and 1945	801
Change in during 1943, analysis	81
Discussion	81
Increment from reduction in weight of gold dollar	667
Seigniorage	667
Working balance:	
1942 and 1943, June 30	667
1943 by months	667
Germany (*see also* Foreign government obligations owned by United States; Mixed Claims Commission):	
Awards of Mixed Claims Commission, amounts paid and balance due Sept. 30, 1943	185, 728
Awards of War Claims Arbiter, amounts paid and balance due Sept. 30, 1943	186
Indebtedness to United States, payments received and amounts not paid June 30, 1943	182
Special deposit account, statement, Sept. 30, 1943	186
Gift tax (*see also* Taxes)	11, 238, 239, 242, 501, 504, 764
Gold:	
Acquired by mints and assay offices	264
Assets and liabilities of Treasury June 30, 1942 and 1943	666
Bullion, including gold coin, in Treasury, stock June 30:	
1913–43	712
1943	265
Certificate fund, Board of Governors, Federal Reserve System, held in Treasury June 30, 1942 and 1943	666
Certificates:	
Circulation June 30, 1913–43	713
Liabilities of Treasury June 30, 1942 and 1943	666
Redeemed and outstanding	215
Stock, held in Treasury, held by Federal Reserve Banks, and in circulation June 30, 1943	714
Coin in circulation June 30, 1913–33	713
Content of dollar, power to alter permitted to lapse	117
Cuban agreement to purchase	114, 347
Electrolytically refined by Mint Service	265
Holdings of Treasury	215
Increment from reduction on weight of gold dollar:	
Expenditures chargeable to:	
1934–43 by years and 1943 by months	465
1942 and 1943	30
1943 by months and 1942 and 1943	496
In General Fund balance:	
1942 and 1943, June 30	667
1943 by months	667
Receipts:	
1934–43 by years and 1943 by months	464
1942 and 1943	30
1943 by months	476
Industrial consumption, 1942 calendar year	266
Mint Service operations	264
Percentage of gold to total stock of money June 30, 1913–43	712
Production, domestic, 1942 calendar year	265
Reserve in Treasury against United States notes and Treasury notes of 1890, June 30, 1942 and 1943	666
Statement on extension of power to alter gold content of dollar	360
Stock June 30, 1943	714
Government Actuary	276
Government life insurance fund:	
Expenditures	494
Investments June 30, 1943	693
Loans to veterans on policies, outstanding June 30, 1943	693
Receipts	476

Digitized for FRASER
http://fraser.stlouisfed.org/
Federal Reserve Bank of St. Louis

Page
Government Losses in Shipment Act:
Discussion 173
Premium savings on shipments, 1942 and 1943 and total to June 30, 1943 174
Savings bond redemption losses payable from fund 173, 338
Shipments reported lost, settled, and unadjusted 174
Status of fund 175
Great Britain and Northern Ireland, loans of Reconstruction Finance Corporation to 546
Great Britain, obligations owned by United States. (*See* Foreign government obligations owned by United States.)
Greece, obligations owned by United States. (*See* Foreign government obligations owned by United States.)
Gross debt of United States. (*See* Public debt.)
Guaranteed obligations of United States. (*See* Contingent liabilities.)

H

Highway expenditures 719, 725
Home loan banks. (*See* Federal home loan banks.)
Home Owners' Loan Corporation:
Assets and liabilities 694
Proprietary interest of United States in, 1933–43 by years 704
Securities guaranteed by United States outstanding 657
Securities owned by United States 670
Housing insurance fund debentures, Series D, partial redemption, first call, Mar. 27, 1943 345
Hungary (*see also* Foreign government obligations owned by United States):
Awards of War Claims Arbiter and amount paid 186
Tripartite Claims Commission awards entered against 187

I

Iceland, stabilization agreement extended 115, 349
Income, natural, generated by production, uses of 68
Income tax. (*See* Internal Revenue Bureau; Receipts; Taxes.)
Indebtedness of foreign governments to United States. (*See* Foreign government obligations owned by United States.)
Independent offices, boards, commissions, and corporations. (*See* Expenditures; and also titles of certain specific offices.)
Indian tribal funds:
Expenditures 494
Receipts 476
Indians, expenditures 1789–1943 528
Inland Waterways Corporation 670, 694, 704
Insurance companies:
Direct and guaranteed debt holdings by tax-exemption provision of each issue, quarterly dates from Mar. 31, 1941 736
Security holdings, amounts, June 30, 1937–43 751
Inter-American Navigation Corporation 670
Interdepartmental Committee for Voluntary Payroll Savings Plan, administrative report 284
Interest on public debt. (*See* Public debt.)
Interest-bearing debt of United States. (*See* Public debt.)
Internal Revenue, Bureau of (*see also* Receipts; Taxes):
Accounts and Collections Unit:
Carriers Taxing Act taxes:
Claims paid 238
Claims received and disposed of 251
Returns filed 250
Collections 1942 and 1943 237
Federal Insurance Contributions Act taxes:
Claims received and disposed of 248
Offers in compromise received and disposed of 249
Returns filed 248
Federal Unemployment Tax Act taxes:
Claims received and disposed of 250
Offers in compromise received and disposed of 250

Digitized for FRASER
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Federal Reserve Bank of St. Louis

Internal Revenue, Bureau of—Continued.
Accounts and Collections Unit—Continued.
Federal Unemployment Tax Act taxes—Continued. Page
Returns received and disposed of 249
Revenue agents' reports received and disposed of 249
Returns filed and investigated in collectors' offices 247
Social Security Act taxes, claims paid 238
Stamps issued and returned 247
Administration cost 239
Administrative report 237
Alcohol Tax Unit:
Collections 1942 and 1943 237
Laboratory activities 244
Permit activities 245
Producers and distributors of alcoholic beverages under supervision of 243
Stills, liquor, etc., seized 246
Chief Counsel, Office of 252
Claims paid, by class of tax, 1943 and totals for 1942 238
Collections, summary 1942 and 1943 237
Expenditures:
By districts and appropriations 534
By States 530
From appropriations for prior years 537
Income Tax Unit:
Assessments, additional, made by Bureau 1942 and 1943 239
Claims paid by Bureau 238
Collections 1942 and 1943 237
Returns filed, examined, investigated, etc 240
Revenue results of investigations 240
Intelligence Unit, investigations of tax fraud cases, etc 258
Miscellaneous Tax Unit:
Capital Stock Tax Division 242
Collections 1942 and 1943 237
Estate Tax Division 242
Miscellaneous Division, collections 1942 and 1943 243
Sales Tax Division, collections 1942 and 1943 242
Tobacco Division 242
Prohibition Act taxes and penalties, functions relating to, transferred to Commissioner 385
Refunds and repayments (*see also* Expenditures):
1943 by class of tax and totals for 1942 238
Claims approved for payment from refunding appropriations 537
Salary stabilization and limitation:
Act authorizing 378
Authority and jurisdiction 131
Commissioner's statement on methods for determining payments of additional compensation 383
Discussion 130
Establishment of Unit 258
Executive order relating to 131, 379, 382
Limitations 338
Public Debt Act of 1943, provisions affecting 131
Requests for decisions and actions taken 259
Securities received in settlement of tax liabilities, owned by United States 671, 705
Technical Staff:
Compromise, extension of time, and final closing agreement cases, analysis of work on 252
Tax liability cases received and disposed of 251
International stabilization fund:
Letter submitting draft to foreign countries 349
Memorandum on proposal 350
Proposal, discussion 116
Proposal, draft outline of 351
Statement of Secretary of Treasury before congressional committees 358
Italy, obligations owned by United States. (*See* Foreign government obligations owned by United States.)

Digitized for FRASER
http://fraser.stlouisfed.org/
Federal Reserve Bank of St. Louis

J

Page
Jewelry, etc., tax 502, 765

L

Latvia, obligations owned by United States. (*See* Foreign government obligations owned by United States.)
Laws, Public, Nos.:
34, Apr. 11, 1943, Public Debt Act of 1943 338
37, Apr. 13, 1943, suspending certain provisions of law respecting deposit insurance assessments on and reserves against Treasury balances in certain banks 367
42, Apr. 29, 1943, extending time of powers relating to stabilization fund 360
58, May 25, 1943, extending period during which U. S. obligations may be used as collateral security for Federal Reserve notes 367
137, July 12, 1943, authorizing use of silver for war purposes 364
712, Sept. 16, 1942, section 10 providing for payment to States of expenses of voting by armed forces 446
729, Oct. 2, 1942, portions relating to salary stabilization 378
814, Dec. 18, 1942, providing for settlement of certain claims of U. S. nationals against Mexico 449
815, Dec. 18, 1942, authorizing substitution of nonstrategic metals for use in minor coinage and forming of worn silver dollars into bars 365
841, Dec. 24, 1942, providing for transaction of public business in case of death or resignation of Chief Disbursing Officer 447
Legal Division, administrative report 259
Liberia:
Currency system conversion, agreement to facilitate 114
Indebtedness to United States, status Nov. 15, 1943 672
Liberty bonds. (*See* Public debt.)
Library of Congress trust fund 686
Liquor taxes (*see also* Internal Revenue Bureau, Alcohol Tax Unit) 11, 146, 154, 239, 501, 504, 764
Lithuania, obligations owned by United States. (*See* Foreign government obligations owned by United States.)
Longshoremen's and harbor workers' compensation fund 688
Luggage tax 502, 765

M

Machines, business, store, and washing, taxes 502
Manufacturers' excise taxes 11, 137, 148, 155, 502, 505, 765
Marihuana. (*See* Narcotics Bureau.)
Marihuana tax 502
Matches tax 502, 765
Metals Reserve Company 546, 670
Mexico:
Mexican claims fund 189
Mexican Claims Settlement Act of 1942 189
Regulations governing payment on account of awards and appraisals in favor of U. S. nationals on claims against Mexico 453
Settlement of certain claims on behalf of American nationals against Mexico 449
Special Mexican Claims Commission, awards and payments 188
Stabilization agreement extended 115, 348
Minor coin. (*See* Money.)
Mint Service:
Administrative report 262
Bullion deposit transactions and transfers 263
Coin and monetary bullion stock in United States June 30, 1943 265
Coinage 263
Expenditures by States 530
Funds available, expenses, and income 266
Gold and silver deposits, income, expenses, and number of employees, by institutions 266
Gold and silver domestic production, 1942 calendar year 265

Digitized for FRASER
http://fraser.stlouisfed.org/
Federal Reserve Bank of St. Louis

Page

Mint Service—Continued.
Gold and silver, industrial consumption, 1942 calendar year 266
Gold operations 264
Profits on coinage, bullion deposits, etc 770
Refinery operations 265
Silver operations 264
Miscellaneous internal revenue. (*See* Internal Revenue Bureau; Receipts; Taxes.)
Miscellaneous receipts. (*See* Receipts.)
Miscellaneous Tax Unit. (*See* Internal Revenue Bureau.)
Mixed Claims Commission, United States and Germany:
Awards, amounts paid, balance due Sept. 30, 1943 185, 728
Sabotage claims, awards and payments 184
Monetary developments, discussion 114
Monetary Research, Division of, administrative report 266
Money (*see also* General Fund; Gold; Mint Service; Silver):
Circulation:
By kinds June 30, 1913–43 713
Per capita June 30, 1913–43 710
Coin shipments between Treasury, mints, and Federal Reserve Banks, by kinds 216
Currency, special series for use in North Africa 118
Federal Reserve Bank notes:
Circulation June 30, 1916–43 713
Issued by Division of Paper Custody 212
Issued, redeemed, and outstanding 215
Stock June 30, 1916–43 712
Stock, held in Treasury, held by Federal Reserve Banks, and in circulation June 30, 1943 714
Stock, old, authorized to be used 119, 367
Federal Reserve notes:
Canceled received from Federal Reserve Banks and branches 216
Circulation June 30, 1915–43 713
Collateral security for 367
Contingent liability of United States June 30, 1943 658
Issued, redeemed, and outstanding 215
Received and issued by Division of Paper Custody 212
Stock June 30, 1915–43 712
Stock, held in Treasury, held by Federal Reserve Banks, and in circulation June 30, 1943 714
Five-cent piece, production of new coin 118, 263, 364
Minor coin:
Circulation June 30, 1913–43 713
Stock June 30, 1913–43 712
Stock, held in Treasury, held by Federal Reserve Banks, and in circulation June 30, 1943 714
Minor coinage, savings effected by metallic content change 263
National bank notes:
Circulation June 30, 1913–43 713
Redeemed and outstanding 215
Stock June 30, 1913–43 712
Stock, held in Treasury, held by Federal Reserve Banks, and in circulation June 30, 1943 714
National bank notes and Federal Reserve Bank notes:
Deposits for retirement of, 1931–43 by years 565
Retirements 1943 by months and 1942 and 1943 572
Nonstrategic materials authorized for use in minor coinage 365
One-cent piece:
Metallic content changed 263
Production of new coin 118
Paper currency:
Issued, redeemed, and outstanding by classes 215
Shipments from Treasury 215
Stock, by kinds, June 30, 1913–43 712
Stock, held in Treasury, held by Federal Reserve Banks, and in circulation:
1913–43, June 30 710
1943, June 30, by kinds 714

Digitized for FRASER
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Federal Reserve Bank of St. Louis

Money—Continued.
Treasury notes of 1890:
Circulation June 30: Page
1913–43 713
1943 714
Redeemed and outstanding 215
U. S. notes:
Circulation June 30, 1913–43 713
Issued, redeemed, and outstanding 215
Stock June 30, 1913–43 712
Stock, held in Treasury, held by Federal Reserve Banks, and in circulation June 30, 1943 714
U. S. notes and Treasury notes of 1890, gold reserve against, in Treasury June 30, 1913–43 710
Municipalities and States. (*See* States and municipalities.)
Musical instruments and phonograph records, taxes 502
Mutual mortgage insurance fund debentures:
Eighth call, Sept. 28, 1942, Series B 340
Ninth call, Mar. 27, 1943, Series B 342
Redemptions, discussion 63

N

Narcotics, Bureau of:
Administrative report 267
Drug exports 269
Enforcement activities, 1942 and 1943 267
Expenditures by States 530
Registrants under narcotic laws 268
Violations of narcotic laws and cases disposed of 268
Narcotics tax 238, 502, 506
National Archives gift fund 689
National bank notes. (*See* Money.)
National banks (*see also* Money):
Assets and liabilities on date of each report, June 30, 1942, to June 30, 1943 219
Condition, changes in 219
Membership and capital stock changes 220
National Cancer Institute gift fund 689
National defense. (*See* War activities.)
National Firearms Act tax 502, 506
National Housing Agency expenditures 725
National Institute of Health gift fund 690
National park trust fund 691
National service life insurance fund:
Expenditures 1943 by months and 1942 and 1943 496
Receipts 1943 by months 476
Status 692
Navy Department:
Appropriations, contract authorizations, and expenditures for war activities, 1941–43 by years 542
Expenditures:
1789–1943 by years 467
1932–43 by years 500
1933–43 by years and 1941–43 by months 544
1943 by months and 1942 and 1943 488
1943 and estimates for 1944 and 1945 776
War activities, 1941–43 by months 26
Nicaragua, obligations owned by United States, status Nov. 15, 1943 672

O

Obligations of foreign governments. (*See* Foreign government obligations owned by United States.)
Oil transportation by pipeline, tax 502, 505, 765
Oils, lubricating, tax 11, 502, 765
Oleomargarine tax 502, 506, 765
Optical equipment tax 502

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Federal Reserve Bank of St. Louis

Orders:
Executive, Nos.:
9235, Aug. 31, 1942, providing for effective utilization of supplies and equipment by Government agencies — Page 448
9250, Oct. 3, 1942, portions relating to salary stabilization — 379
9302, Feb. 9, 1943, transferring to Commissioner of Internal Revenue certain functions relating to taxes and penalties imposed for violation of National Prohibition Act — 385
9328, Apr. 8, 1943, portions further limiting authority to approve salary readjustments — 382
Treasury Department, Nos.:
46, Aug. 7, 1942, assigning supervision of functions relating to foreign funds control — 384
47, Sept. 22, 1942, changing status of Foreign Funds Control — 384
48, Mar. 2, 1943, creating Treasury War Finance Committee — 385
49, May 27, 1943, assigning supervision of Procurement Division — 385
50, June 25, 1943, changing designation of War Savings Staff to War Finance Division and increasing its scope — 385

P

Panama Canal loan bonds. (*See* Public debt.)
Panama Canal, receipts and expenditures:
1903–43 by years — 523
1941–43, war activity expenditures — 542
1943 by months — 472, 486
Panama Railroad Co.:
Assets and liabilities — 694
Capital stock owned by United States — 670
Proprietary interest of United States in — 704
Paper currency. (*See* Money.)
Passengers and pedestrians entering United States 1942 and 1943 — 223
Pay days, staggered, recommended by President — 447
Payroll savings plan:
Participation extent:
1941–43 by years — 630
Firms and governmental units — 46
Government civilian employees and military personnel — 284, 285
Withholdings from Federal employees' salaries under — 169
Payroll taxes. (*See* Carriers Taxing Act; Employment taxes; Social Security Act.)
Pensions and benefits, veterans, expenditures:
1789–1943 by years — 528
1932–43 by years — 500
Pershing Hall Memorial fund — 692
Personnel, Division of, administrative report — 269
Personnel, Treasury Department:
Administrative and staff officers Nov. 15, 1943 — xx
Committees, departmental, Nov. 15, 1943 — xxii
Number, departmental and field services — 269
Persons and property transportation taxes — 11, 765
Petroleum, processed, tax — 506
Philippine Islands:
Appropriation for public relief and civilian defense — 178
Funds in Treasury:
Deposits — 177
Duties and taxes on articles from Philippines except coconut oil — 177
Excise and import taxes — 178
Export taxes deposited in supplementary sinking fund — 179
Taxes on coconut oil from Philippines — 177
Securities and funds, safekeeping program — 165
Photographic apparatus tax — 502, 765
Pistols and revolvers tax — 502
Playing cards tax — 501, 505, 765
Poland, obligations owned by United States. (*See* Foreign government obligations owned by United States.)
Postal savings stamps. (*See* Public debt, U. S. war savings stamps.)

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Federal Reserve Bank of St. Louis

Page

Postal Savings System:
Funds due depositors June 30, 1943 — 657
Securities held by Treasurer to secure deposits of funds June 30, 1942 and 1943 — 217
Treasury notes issued. (*See* Public debt, Special issues.)
Postal Service:
Deficiencies, expenditures for:
Advances from General Fund — 525
Factors contributing to deficit — 456
Expenditures 1789–1943 by years — 525
Revenue 1789–1943 by years — 525
Post-war problems, statement of Secretary of Treasury, Mar. 22, 1943, on — 394
Practice, Committee on, administrative report — 269
President, letter Oct. 15, 1942, relating to staggered pay days for Government employees (*see also* Orders, Executive) — 447
Printing and binding expenditures. (*See* Procurement Division.)
Processing Tax Board of Review abolished — 132
Processing tax refunds 1943 by months and 1942 and 1943 — 488
Procurement Division:
Administrative report — 270
Blind-made products purchased — 271
Defense housing, equipment purchases for — 272
Engraving and printing requisitions — 271
Expenditures by States — 532
Federal Property Utilization Branch established — 124
General supply fund, assets and liabilities — 273
Lend-lease purchases — 120
Printing and binding funds and expenditures — 271
Purchases:
Procedure — 274
Summary, 1942 and 1943 — 270
Relief, purchases for — 271
Renegotiation of war contracts — 120
Storage and warehousing — 123, 273
Strategic materials, purchases — 122
Supplies and equipment, Executive order providing for effective utilization of — 448
Typewriter purchases program — 270
Produce for future delivery, sales of, tax — 505
Production credit corporations — 670, 694, 704
Proprietary interest of United States in Government corporations and credit agencies (*see also* Securities owned by United States):
1932–43, June 30 — 704
Discussion — 114
Public debt (*see also* Circulars, Department; Contingent liabilities of United States; Expenditures; Money, U. S. notes; Public Debt Bureau; Securities owned by United States):
Adjusted service bonds:
Interest paid on, 1941–43 — 652
Issued, redeemed, and outstanding:
1943, June 30, and description — 552
Discussion — 57
Issues 1943 by months and 1941 and 1942 — 568
Retirements 1943 by months and 1942 and 1943 — 572
Certificates of indebtedness:
Allotments on subscriptions among Federal Reserve districts:
Series B–1943, offered Aug. 6, 1942 — 294
Series C–1943, offered Sept. 10, 1942 — 297
Series D–1943, offered Oct. 26, 1942 — 311
Series E–1943, offered Nov. 30, 1942 — 315
Series A–1944, offered Jan. 21, 1943 — 318
Series B–1944, offered Apr. 12, 1943 — 322
Series C–1944, offered Apr. 20, 1943 — 325
Issued and outstanding — 553
Offerings:
Aug. 6, 1942, Series B–1943, dated Aug. 15, 1942 — 293
Sept. 10, 1942, Series C–1943, dated Sept. 21, 1942 — 295
Oct. 26, 1942, Series D–1943, dated Nov. 2, 1942 — 310

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Federal Reserve Bank of St. Louis

Public debt—Continued.
Certificates of indebtedness—Continued.
Offerings—Continued. Page
Nov. 30, 1942, Series E–1943, dated Dec. 1, 1942 312
Jan. 21, 1943, Series A–1944, dated Feb. 1, 1943 316
Apr. 12, 1943, Series B–1944, dated Apr. 15, 1943 319
Apr. 20, 1943, Series C–1944, dated May 1, 1943 324
Special issues to trust funds, etc 555
Special short-term series:
Discussion 57
Issues and redemptions 590, 593
Tax and loan series (matured debt) outstanding 583
Composition, changes 59
Conversion bonds 547, 564, 651
Depositary bonds:
Depositaries for withheld taxes permitted to purchase 376
Description and amount outstanding 552
Discussion 57
Insured banks eligible to subscribe to 339
Interest paid on 652
Issued and redeemed 172
Issues 1943 by months and 1942 and 1943 568
Offering July 29, 1943, of Second Series 328
Retirements 1943 by months and 1942 and 1943 572
Description of issues outstanding June 30, 1943 547
Discussion 33
Fractional currency 559, 588
Holders of direct debt by classes of holders and by tax-exemption provisions of each issue, quarterly dates from Mar. 31, 1941 731
Increase in 1943 and estimates for 1944 and 1945 801
Interest:
Computed annual interest charge and computed rate of interest 1916–43 by years and 1943 by months 653
Computed rate 60
Discussion 60
Expenditures:
1789–1943 by years 467
1932–43 by years 500
1941–43 by issues 651
1941–43 by months 24
1941–43 by years 22, 651
1943 by months and 1942 and 1943 488
1943 classified 215
1943 and estimates for 1944 and 1945 778
Payable, paid, and outstanding unpaid by classes of issues 651
Issues 1943 by months and 1942 and 1943 by classes 568
Liberty bonds 556, 564, 581, 600, 652
Limit increased by Pub. Law 34, Apr. 11, 1943 62, 338
Obligations outstanding and face amount issuable under limitation in effect June 30, 1943 62
Obligations outstanding and reconcilement with daily Treasury statement 62
Old demand notes 559, 588
Operations:
Debt retirements, statutory (sinking fund, etc.):
1918–43 by sources of receipts 597
1932–43 by years and 1943 by months 463
1941–43 by months 24
1943 by months and 1942 and 1943 492
First and Second War Loans, sales of securities by classes of investors and by issues 601
Interest-bearing, changes in, by issues 576
Issued, accumulated retirements, outstanding, by issues, June 30, 1943 547
Issues, maturities, and redemptions in detail, on dates of transactions 590
Matured debt, changes in, by issues 580
Noninterest-bearing transactions by issues 588

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Federal Reserve Bank of St. Louis

Public debt—Continued.
Operations—Continued. Page
Offerings, market 34, 35, 36, 38, 39, 41
Receipts and expenditures 33, 35, 37, 40
Retirements (*see also* Sinking fund below):
1943 by months and 1942 and 1943 by classes 572
Accumulated, by issues, June 30, 1943 547
Sinking fund:
1943 by months and 1942 and 1943 492
1943 credits and retirements 599
Appropriations, debt retired, amount expended 1921–43 599
Discussion 58
Retirements from:
1921–43 597
To June 30, 1943, by issues 600
Statutory debt retirements (sinking fund, etc.) 785
Outstanding:
1853–1943, June 30, interest-bearing, matured, noninterest-bearing, and gross 562
1915–43, June 30, gross debt increase or decrease 598
1916–43 by years and 1943 by months, interest-bearing 653
1916–43 by years and 1943 by months, interest-bearing by classes, matured, noninterest-bearing, and gross 566
1931–43, June 30, interest-bearing by classes and non interest-bearing 564
1942 and 1943, June 30, interest-bearing by classes, matured, and noninterest-bearing 58
Description of issues 547
Holders of securities, amounts:
1913–43 by tax status 754
1937–43 by years 750
1941–43 by issues and tax status 731
1943 by tax status 752
Interest-bearing, June 30, 1943, description 547
Interest-bearing by issues, June 30, 1943 576
Limitation, statutory, increased 62
Matured, June 30, 1943, description 556
Matured by issues, June 30, 1943 580
Noninterest-bearing, June 30, 1943 588
Noninterest-bearing, June 30, 1943, description 559
Per capita gross debt, June 30, 1853–1943 562
Tax-exempt and taxable features of various issues 547
Panama Canal loan 547, 564, 651
Postal savings bonds 547, 564, 651
Prices and yields, public marketable securities, June 30, 1943 663
Receipts as means of financing deficit 32
Retirements. (*See* Operations, above.)
Sinking fund. (*See* Operations, above.)
Sources of funds for Federal borrowing. (*See* Financing.)
Special issues:
Description and amount outstanding 554
Interest paid on:
1925–43 by years 654
1941–43 652
Outstanding:
1925–43 by years and 1943 by months 566
1931–43 by issues 564
Receipts 1943 by months and 1942 and 1943 by classes 570
Retirements 1943 by months and 1942 and 1943 574
Tax series and savings series Treasury notes:
Changes in terms 55
Designation of Tax Series C changed 339
Discussion 55
Limit on amount presented for taxes increased 300
Offerings Sept. 14, 1942:
Tax Series A–1945 298
Tax Series C 298

Digitized for FRASER
http://fraser.stlouisfed.org/
Federal Reserve Bank of St. Louis

Public debt—Continued.
Tax series and savings series Treasury notes—Continued. Page
Outstanding:
1942 and 1943 by months and series 640
By series 553
Redemptions:
1942 and 1943 by months and series 640
1942 and 1943 by months and means of payment 648
Sales 1942 and 1943 by months:
By series 640
By series and denominations 643
By series and types of purchasers 645
Sales and redemptions for cash and taxes 1942 and 1943 by months and series 638
Tax-payment value of Tax Series A–1945 by months from September 1942 to September 1945 302
Tax-payment value or redemption value and investment yields of Tax Series C by months from issue date to maturity date 306
Tax Series A redeemable at current tax payment value at or prior to maturity 326
Tax Series A–1944 sale terminated Sept. 12, 1942 298
Tax Series B–1944 sale terminated Sept. 12, 1942 302
Tax Series A–1945 sale terminated June 22, 1943 326
Tax Series C redeemable at par and accrued interest at or prior to maturity 304
Treasury bills:
Bidding procedure changed 56, 79
Discussion 56
Offering of, dated July 1, 1942, press release 332
Outstanding by issues 553
Regulations amended:
Oct. 24, 1942, relative to deposit accompanying tenders 334
May 5, 1943, relative to basis for issue of 334
Summary of information in press releases concerning Treasury bills offered during 1943 336
Tenders received and accepted for issue dated July 1, 1942, press release 333
Tenders received at fixed price 334
Treasury bonds:
Allotments on subscriptions among Federal Reserve districts:
1949–51, offered July 8, 1942 290
1962–67 (additional), offered Aug. 3, 1942 293
1950–52, offered Oct. 8, 1942 310
1948, offered Nov. 30, 1942 315
1963–68, offered Nov. 30, 1942 315
1950–52, offered Apr. 12, 1943 322
1964–69, offered Apr. 12, 1943 322
Coupon form available Feb. 1, 1943, for bonds of 1962–67 339
Interest paid on, by series 1941–43 651
Offerings:
July 8, 1942, 1949–51, dated July 15, 1942 289
Aug. 3, 1942, 1962–67 (additional), dated May 5, 1942 291
Oct. 8, 1942, 1950–52, dated Oct. 19, 1942 307
Nov. 30, 1942, 1948, dated Dec. 1, 1942 312
Nov. 30, 1942, 1963–68, dated Dec. 1, 1942 312
Apr. 12, 1943, 1950–52, dated Apr. 15, 1943 319
Apr. 12, 1943, 1964–69, dated Apr. 15, 1943 319
Outstanding by issues 547
Redemption calls:
Feb. 13, 1943, for bonds of 1943–47 318
June 7, 1943, for bonds of 1943–45 325
Redemption, optional, to satisfy Federal estate taxes 292, 312
Treasury notes:
Allotments on subscriptions among Federal Reserve districts:
Series C–1945, offered Sept. 10, 1942 297
Series B–1946, offered Oct. 8, 1942 310
Interest paid on, 1941–43 by years 652

Digitized for FRASER
http://fraser.stlouisfed.org/
Federal Reserve Bank of St. Louis

Public debt—Continued.
Treasury notes—Continued.
Offerings: Page
Sept. 10, 1942, Series C–1945, dated Sept. 25, 1942 295
Oct. 8, 1942, Series B–1946 (additional), dated June 5, 1942 307
June 28, 1943, Series A–1947, dated July 12, 1943 327
Outstanding by issues 552
Treasury savings securities (matured debt) 559, 588
U. S. savings bonds:
Accrual of redemption values on bonds outstanding 1936–43 by years, months, and series 604
Accrual paid on, 1941–43 by years and series 652
Credit against Victory tax 332
Description of issues outstanding June 30, 1943 551
Discussion 41
Held by Treasurer for depositors June 30, 1942 and 1943 217
Issues 1943 by months and 1942 and 1943 568
Issuing agents for Series E bonds:
Discussion 54
Number 54
Losses in shipment payable from fund for payment of Government losses 173
Outstanding 1935–42 by years, months, and series 604
Redemptions:
1935–43 by years, months, and by series 604
1935–43 by years and 1943 by months and series 603
1941–43 by years and 1943 by months and series 48
1943 by months and 1942 and 1943 572
Accumulated sales compared with 50
Banks and trust companies authorized to redeem 338
Discussion 48
Percent of amount outstanding 1941–43 by years and 1943 by months 52
Percent of sales 52
Regulations amended with respect to calculation of amount held and the reissue of bonds 329
Sales:
1935–43 by years, months, and series 604
1935–43 by years and 1943 by months and series 603
1941–43 by years and 1943 by months and series 42
1941–43 by years, months, denominations, and series 611
1941–43 by calendar years, fiscal years, and months:
By States, Series E and Series F and G 614
In selected large cities, Series E 622
Accumulated compared with redemptions 50
Number of bonds, 1941–43 by years and 1943 by months and denominations, Series E 44
Series E:
Issuing agent, requirement for pledge of collateral security eliminated 172
Regulations amended:
July 17, 1942, relative to qualification of issuing agent 331
June 17, 1943, relative to limitation on holdings and registration 330
Series F and G:
Designation as war savings bonds revoked 330
Regulations amended June 17, 1943, relative to forms of registration 331
U. S. war savings stamps:
Discussion 54
Issues 1943 by months 568
Outstanding:
1941–43 by years and months 631
1943, June 30 559, 588
Redemptions:
1941–43 by years and months 631
1943 by months 572
Exchanges for U. S. savings bonds 633

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http://fraser.stlouisfed.org/
Federal Reserve Bank of St. Louis

Public debt—Continued.
U. S. war savings stamps—Continued.
Sales 1941–43 by years and months: Page
By denominations 632
By States 634
Total 631
Victory notes 557, 581, 600
Yield, average, on bonds, by months January 1919 to June 1943 662
Public Debt Act of 1943, discussion 62
Public Debt, Bureau of (*see also* Public debt):
Accounts for registered securities 202, 205
Administrative report 199
Chicago Branch handling issued savings bonds 199
Control accounts and audits of securities by Division of Public Debt Accounts and Audit 210, 211
Currency, redeemed, deliveries to Destruction Committee, by kinds 204
Destruction of redeemed and unfit securities, number and value 213
Distinctive and nondistinctive paper received and issued 212
Expenditures by States 530
Safekeeping of securities 203
Securities lost, stolen, or destroyed, claims for relief 203, 205
Securities received from Bureau of Engraving and Printing and issued by Division of Loans and Currency 201
Securities redeemed or exchanged, audited and held by Register of Treasury 206, 209
U. S. savings bonds:
Publicity material distribution 211
Redeemed, number and amount, and registration discharged 204
Stubs processed 204
U. S. savings stamps redeemed, audited, and held by Register of Treasury 209
Public lands, receipts from sales 1796–1943 by years 528
Public Roads Administration expenditures 486
Public Works Administration:
Bonds received from repayments of loans to States, etc 597
Expenditures:
1943 by months and 1942 and 1943 486
1943 by States 725
Proprietary interest of United States in, 1934–43 by years 704
Puerto Rico Reconstruction Administration 671, 695, 704

R

Radio sets, phonographs, etc., taxes 502, 765
Railroad retirement account:
Expenditures, investments and benefit payments:
1938–43 by years and 1943 by months 465
1943 by months and 1942 and 1943 494
1943 and estimates for 1944 and 1945 793
Receipts:
1938–43 by years and 1943 by months 464
1942 by months 474
1943 and estimates for 1944 and 1945 786
Status June 30, 1943 681
Railroad Retirement Act taxes. (*See* Carriers Taxing Act taxes.)
Railroad unemployment insurance:
Account, status 684
Contributions:
1936–41 combined, 1942, and 1943 by months 514
1942 and 1943 11
1943 by months 472, 474
1943 and estimates for 1944 and 1945 766
1944 and 1945 (estimated) and 1943 (actual), percentage of total receipts 136
Estimates for 1944 and 1945, discussion 149, 157

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Federal Reserve Bank of St. Louis

Railroad unemployment insurance—Continued.
Expenditures: Page
1936–41 combined, 1942, and 1943 by months 516
1943 by months and 1942 and 1943 494
Railroads:
Federal control of:
Canadian Workmen's Compensation Board fund, status 194
Claims of railroad employees, payments on 194
Discussion 193
Expenditures 1942 and 1943 193
Receipts 1942 and 1943 193
Tax refunds and other collections 194
Proprietary interest of United States in, June 30:
1932–43 705
1943 695
Securities owned by United States:
1943, June 30 671
Loans to carriers under sec. 210, Transportation Act 192
Originally held and payments received, by classes 191
Sec. 202, Transportation Act, acquired under 194
Sec. 204, Transportation Act, claims under 191
Sec. 207, Transportation Act, acquired under 192
Sec. 210, Transportation Act, loans and repayments 192
Tax on carriers and their employees. (*See* Carriers Taxing Act taxes.)
Receipts (*see also* Customs Bureau; Internal Revenue Bureau; Surplus or deficit):
1789–1943 by years 466
1932–43 by years and 1943 by months, summary 462
1940–43 and estimates for 1944 and 1945 2
1942 and 1943 by major sources 10
1943 by months, classified 472
1943 and estimates for 1944 and 1945 136, 764
1944 and 1945 (estimated) and 1943 (actual), percentage distribution of total receipts 136
Analysis, general and special accounts 8
Back taxes:
1942 and 1943 10
1943 and estimates for 1944 and 1945 764
Carriers Taxing Act taxes. (*See* Carriers Taxing Act taxes.)
Customs:
1789–43 by years 466
1932–43 by years and 1943 by months 462
1942 and 1943 11
1943 by months 472
1943, summary 510
1943 and estimates for 1944 and 1945 137, 766
1944 and 1945 (estimated) and 1943 (actual), percentage of total receipts 136
Estimates for 1944 and 1945, discussion 149, 157
Employment taxes. (*See* Employment taxes.)
Estimates 1944 and 1945:
By sources 136, 764
Discussion 132, 150
General and special accounts, 1932–43 by years and 1943 by months, summary 462
Income tax:
1863–1943 by years 468
1916–43 by years 503
1942 and 1943 10, 501
1943 by months 472
1943 by States 508
1943 and estimates for 1944 and 1945 136, 764
1944 and 1945 (estimated) and 1943 (actual), percentage of total receipts 136
Increment from reduction in weight of gold dollar. (*See* Gold.)

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Federal Reserve Bank of St. Louis

Receipts—Continued.
Internal revenue taxes: Page
1916–43 by years and tax sources 503
1932–43 by years and 1943 by months 462
1942 and 1943 by sources 501
1943 by States 508
Miscellaneous:
1789–1943 by years 466
1943 by months 472
Miscellaneous internal revenue taxes:
1792–1943 by years 466
1916–43 by tax sources 504
1942 and 1943 by sources 11, 501
1943 by months 472
1943 by States 508
1943 and estimates for 1944 and 1945 137
1943 and estimates for 1944 and 1945, classified 764
1944 and 1945 (estimated) and 1943 (actual), percentage of total receipts 136
Miscellaneous taxes, 1943 and estimates for 1944 and 1945 765
Public debt, 1943 by months and 1942 and 1943 by classes 568
Railroad securities 190
Railroads. (*See* Railroads, Federal control of.)
Railroad unemployment insurance contributions. (*See* Railroad unemployment insurance.)
Social Security Act taxes. (*See* Social Security Act.)
Transfers (net) to Federal old-age and survivors insurance trust fund:
1937–43 by years and 1943 by months 462
1943 by months 472
Trust accounts. (*See* Trust accounts.)
Unemployment trust fund. (*See* Unemployment trust fund.)
Withholdings of taxes:
1943 504
1943 and estimates for 1944 and 1945 764
Reconstruction Finance Corporation:
Assets and liabilities 694
Automobile financing 546
Borrowing power:
Extended 64
Net decrease 65
Commitments, receipts, and disbursements under war activities program 1941–43 546
Obligations canceled by Secretary of Treasury 113
Proprietary interest of United States in, 1932–43 by years 704
Securities:
Guaranteed by United States outstanding June 30, 1943 657
Owned by United States 670
Securities received from, by Treasury, 1938–43 by years 705
War disbursements and receipts, 1941–43 by years 28
Refrigerators, air conditioners, etc., tax 502, 765
Refunds. (*See* Expenditures.)
Regional agricultural credit corporations 670, 694, 704
Relief expenditures. (*See* Expenditures.)
Relief funds. (*See* Emergency Relief Appropriation Acts.)
Renegotiation of war contracts 120
Repealed taxes 502
Research and Statistics, Division of:
Administrative report 276
Government Actuary 276
Retailers' excise taxes 11, 137, 155, 502, 506, 765
Revenue acts. (*See* Taxes.)
Revolving funds, expenditures:
1932–43 by years and 1943 by months 463
1943 by months and 1942 and 1943, classified 490

Digitized for FRASER
http://fraser.stlouisfed.org/
Federal Reserve Bank of St. Louis

RFC Mortgage Company: Page
Assets and liabilities 695
Capital stock owned by United States 670
Commitments, disbursements, and receipts 546
Proprietary interest of United States in, 1935–43 by years 704
Rubber articles tax 502
Rubber Development Corporation 670
Rubber Reserve Company 546, 670
Rumania, obligations owned by United States. (*See* Foreign government obligations owned by United States.)
Rural Electrification Administration 484, 671, 694, 704
Russia:
Gold purchases 115
Obligations owned by United States, status Nov. 15, 1943 672

S

Safe deposit boxes tax 502, 506, 765
Salary payments in cash for lower grade employees recommended by President 447
Salary stabilization and limitation. (*See* Internal Revenue Bureau.)
Savings bonds. (*See* Public debt.)
Secret Service Division:
Administrative report 277
Arrests and cases disposed of 1942 and 1943 279
Counterfeit money seized 1942 and 1943 279
Crime prevention 277
Expenditures by States 532
Investigations of criminal and noncriminal activities 1942 and 1943 280
Protective activities 277
Secretary of Agriculture authorized to borrow money on credit of United States 657
Secretary of Treasury:
Addresses, statements, etc.:
July 23, 1942, before Senate Finance Committee on taxes 406
Aug. 31, 1942, on availability of silver for war uses 363
Sept. 1, 1942, to American Bankers Association on war financing 386
Sept. 3, 1942, before Senate Finance Committee proposing a spendings tax 410
Sept. 5, 1942, press release on taxes and financing 388
Dec. 6, 1942, on First War Loan 393
Mar. 22, 1943, statement prepared at request of United Press for a discussion of post-war problems 394
Apr. 5, 1943, before congressional committees on post-war economic policy and planning 358
Apr. 16, 1943, before Senate Committee on Banking and Currency on extension of stabilization fund and power to alter weight of gold dollar 360
June 23, 1943, regarding privilege of cash redemption of tax savings notes of Series A and change of designation of Tax Series C 326
Announcements:
Sept. 12, 1942, on new five-cent piece 364
Sept. 17, 1942, on arrangements for sale of silver for war use 364
May 6, 1943, regarding change in procedure of bidding for Treasury bills 334
International stabilization fund proposed by 349
Letter from Secretary and others opposing freezing of social security contributions rate 445
Secretaries, Under Secretaries, and Assistant Secretaries of Treasury Department, Mar. 4, 1933, to Nov. 15, 1943 XIX
Securities (*see also* Public debt):
Destroyed by Destruction Committee, number and value 213
Governmental, holders of, classified 750, 752, 754
Guaranteed by United States. (*See* Contingent liabilities of United States.)

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http://fraser.stlouisfed.org/
Federal Reserve Bank of St. Louis

Securities—Continued.
Held by Treasurer, amounts, classified according to purpose for which held, June 30, 1942 and 1943 — Page 217
Holders of direct and guaranteed debt:
1941–43 amounts by classes of holders — 71
1941–43 amounts and issues — 731
Interest paid on securities issued or guaranteed by U. S., 1913–43 by tax status — 654
Investments held in trust and special funds, summary of amounts — 198
Issued on credit of United States, outstanding June 30, 1943, description — 657
Not guaranteed by United States:
Holders, amounts June 30:
1918–43 by tax status — 755
1937–43 by years — 750
1943 by tax status — 752
Sales and redemptions in market (net) — 498
Owned by United States:
1942 and 1943, June 30, summary — 113
1943, details — 670
Discussion — 113
Foreign government obligations. (*See* Foreign government obligations owned by United States.)
Receipts 1943 by months — 472
Reconstruction Finance Corporation obligations canceled — 113
Redeemed or exchanged, audited and held by Register of Treasury — 206, 209
Safekeeping of, by Division of Loans and Currency — 203
Seed, feed, drought relief, and crop production loans, obligations of farmers for, owned by United States — 670
Seigniorage, (*See* Silver.)
Settlement of War Claims Act of 1928 (*see also* Mixed Claims Commission; Tripartite Claims Commission; War Claims Arbiter), payments on awards — 183
Silver (*see also* Money):
Acquired by Treasury, classified — 264
Assets and liabilities of Treasury June 30, 1942 and 1943 — 666
Bullion:
1934–43, June 30, stock — 712
1943, June 30, held in Treasury — 714
1943, June 30, stock — 265
Tax on sales and transfers — 239, 501, 505, 765
Certificates:
Circulation June 30, 1913–43 — 713
Issued, redeemed, and outstanding — 215
Stock, held by Federal Reserve Banks, and in circulation June 30, 1943 — 714
Coin, stock June 30, 1943 — 265
Dollars:
Circulation June 30, 1913–43 — 713
Held in Treasury, held by Federal Reserve Banks, and in circulation June 30, 1943 — 714
Stock June 30, 1913–43 — 712
Worn and uncurrent, authorized to be formed into bars — 365
Electrolytically refined by Mint Service — 265
Industrial consumption, 1942 calendar year — 266
Mint Service operations — 264
Prices 1943 — 265
Production, domestic, 1942 calendar year — 266
Seigniorage:
In General Fund balance:
1942 and 1943, June 30 — 667
1943 by months — 667
Receipts:
1935–43 by years and 1943 by months — 464
1942 and 1943 — 30
1943 by months — 472, 476

Digitized for FRASER
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Federal Reserve Bank of St. Louis

Silver—Continued.
Subsidiary coin: Page
Circulation June 30, 1913–43 713
Stock June 30, 1913–43 712
Stock, held in Treasury, held by Federal Reserve Banks, and in circulation June 30, 1943 714
War purposes:
Act authorizing sale for 364
Availability of 363
Discussion 117
Sale to industrial users, announcement 364
Sinking fund. (*See* Public debt, Operations.)
Smaller War Plants Corporation:
Capital stock subscription by Secretary of Treasury 490, 542
Securities owned by United States 670
Snuff tax 501, 765
Social Security Act (*see also* Internal Revenue Bureau, Accounts and Collections Unit):
Appropriations and expenditures to June 30, 1943 522
Depositaries of public moneys servicing State benefit payment accounts and clearing accounts 173
Expenditures:
1936–41 combined, 1942, and 1943 by months 516
1943 and total to June 30, 1943 522
Grants to States and administrative, 1943 by months and 1942 and 1943 485
Federal Insurance Contributions Act taxes:
1936–41 combined, 1942, and 1943 by months 514
1942 and 1943 11, 503
1943 by months 472
1943 and estimates for 1944 and 1945 137, 766
Estimates for 1944 and 1945, discussion 149, 156
Rate freezing opposed 445
Federal Unemployment Tax Act taxes:
1936–41 combined, 1942, and 1943 by months 514
1942 and 1943 11, 503
1943 by months 472
1943 and estimates for 1944 and 1945 137, 766
Estimates for 1944 and 1945, discussion 149, 157
Refunds of taxes 1936–41 combined, 1942, and 1943 by months 520
Title VIII taxes. (*See* Federal Insurance Contributions Act above.)
Title IX taxes. (*See* Federal Unemployment Tax act above.)
Unemployment trust fund. (*See* Unemployment trust fund.)
Soft drinks tax 505
Sporting goods tax 502, 765
Stabilization fund:
Assets and liabilities, June 30, 1942 and 1943, and supporting schedules 668
Brazilian stabilization agreement extended 115, 348
Chinese stabilization arrangement extended 115, 348
Chinese yuan purchase agreement extended 115, 347
Earnings 669
Ecuadoran stabilization agreement extended 115, 349
Expenses 669
Gold, location of 669
Iceland stabilization agreement extended 115, 349
International monetary cooperation 114
Investments 669
Mexican stabilization agreement extended 115, 348
Powers relating to, time extended 117, 360
Statement on extension 360
Status 666
Stamp taxes 11, 147, 155, 501, 505, 765
States and municipalities:
Federal aid to, expenditures 715
Grants to, under Social Security Act, 1936–41 combined, 1942, and 1943 by months, classified 518

Digitized for FRASER
http://fraser.stlouisfed.org/
Federal Reserve Bank of St. Louis

	Page
States and municipalities—Continued.	
Loans and grants to	486
Payments to, by States	719
Securities, holders of, amounts June 30:	
1913–43 by tax status	755
1943 by tax status	753
Voting expenses of armed forces, payments to States	164
Strategic and critical materials:	
Acquisition of	122
Funds from sales of, deposited to credit of appropriation account	123
Sale or transfer of certain materials authorized	123
Subsidiary silver coin. (*See* Silver.)	
Sugar tax (*see also* Internal Revenue Bureau, Miscellaneous Division)	11, 238, 239, 502, 507, 765
Surplus or deficit of receipts and expenditures:	
1789–43 by years	467
1916–42 by years	598
1940–43 and estimates for 1944 and 1945, summary	2
1942 and 1943	30
Financing of net deficit	32
General and special accounts, 1932–43 by years and 1943 by months	463
Trust accounts, etc., 1932–43 by years and 1943 by months	465
Surplus property, securities on account of sales of:	
Held by Treasurer June 30, 1942 and 1943	217
Owned by United States:	
1932–43 by years	705
1943	671

T

Tax Legislative Counsel, Office of, administrative report	280
Tax Research, Division of, administrative report	281
Taxes, discussion (*see also* Expenditures, Refunds; Internal Revenue Bureau; Receipts; titles of particular taxes):	
Additional revenue needs	3
Back	141, 152
Cancelation, Treasury attitude toward	107
Capital gains and losses treatment:	
Proposal to change	399
Revenue Act of 1942 changes	96
Capital stock, estimates for 1944 and 1945	145, 154
Carriers Taxing Act. (*See* Carriers Taxing Act.)	
Corporation:	
Changes proposed	87, 397
Estimates for 1944 and 1945	142, 153
Post-war credit proposed	88
Relief provisions:	
Expansion proposed	89
Revenue Act of 1942	101
Revenue Act of 1942, rates, credits, etc	99
Special privileges, proposal to eliminate	90
Current payment, Treasury proposals for	106
Current Tax Payment Act, major features	109
Developments	82
Estate:	
Changes proposed	403
Estimates for 1944 and 1945	145, 154
Revenue Act of 1942	104
Estimates for 1944 and 1945	138
Excess profits:	
1943 and estimates for 1944 and 1945	136
Estimates for 1944 and 1945	143, 153
Revenue Act of 1942, credit, etc	100
Excise, Revenue Act of 1942 increases	104
Excise and sales	91

Digitized for FRASER
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Federal Reserve Bank of St. Louis

Taxes, discussion—Continued.
Gift: Page
Changes proposed 403
Estimates for 1944 and 1945 146, 154
Revenue Act of 1942 104
Income:
Back 141, 152
Estimates for 1944 and 1945 136, 138, 151
Increases in revenue 12
Individual income (*see also* Withholding of taxes, below):
Changes proposed 396
Earned income credit, elimination proposed 87
Revenue Act of 1942, rates, exemptions, etc 96
Treasury proposals 83
War supertax proposed 87
Insurance companies:
Proposal for changes in rates 400
Revenue Act of 1942 102
Inventories, involuntary liquidation of, adjustment of taxes under Revenue Act of 1942 103
Joint returns by married persons, recommendation for mandatory filing 399
Laws, 1943, affecting internal revenue 111
Liability for 1942 tax under current tax payment plan, proposal for distribution 431
Miscellaneous internal revenue, estimates for 1944 and 1945 145, 153
Pay-as-you-go methods outlined for tax payment 420
Pension trusts:
Revenue Act 1942 103
Standards proposed for trusts to be tax exempt 400
Percentage depletion allowance reduction, or elimination, proposed 398
Personal exemptions reduction recommended 413
Proposals of Treasury submitted to congressional committees 396–446
Renegotiation of war contracts:
Secretary of Treasury authorized to renegotiate war contracts 106
Treasury recommendation relative to excessive profits under 95
Revenue Act of 1942:
Major features 95
Proposals of Treasury in connection with 82
Sales tax, practicability studied by Treasury 92
Social security (*see also* Social Security Act):
Increase in rates postponed under Revenue Act of 1942 105
Recommendations for increase in rates 94
Special privileges, proposal to remove 86, 398
Spendings tax proposed 93, 411
Statements of Secretary of Treasury:
July 23, 1942, before Senate Finance Committee 406
Sept. 3, 1942, before Senate Finance Committee 410
Sept. 5, 1942, press release 388
Unjust enrichment, 1943 and estimates for 1944 and 1945 136
Victory tax:
Imposition under Revenue Act of 1942 98
U. S. savings bonds as credit against 332
Withheld from salaries of Federal employees 169
Withholding at source 99
Withholding at source proposed 85, 396
Withholdings of taxes:
1943 and estimates for 1944 and 1945 136
Banks designated as depositaries for receipt of 171
Estimates for 1944 and 1945 139, 151
Payments through depositaries 371
Tax-exempt and taxable Government issues, provisions of 547
Telephone, local service, tax 11, 148, 502, 765
Telegraph, telephone, cable, and radio facilities, etc., tax 11, 502, 505, 765
Tennessee Valley Associated Cooperatives, Inc 670, 695, 704

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Federal Reserve Bank of St. Louis

	Page
Tennessee Valley Authority:	
Assets and liabilities	694
Expenditures	488
Proprietary interest of United States in, 1934–43 by years	704
Securities guaranteed by United States, held by Treasury June 30, 1943	657
Securities issued on credit of United States outstanding June 30, 1943	658
Securities owned by United States	670
Territories and possessions, securities, holders of, June 30:	
1913–43 by tax status	755
1943, by tax status	753
Tobacco manufacturers taxes (*see also* Internal Revenue Bureau, Miscellaneous Tax Unit)	11, 146, 154, 238, 239, 501, 505, 765
Toilet preparations tax	502, 765
Transportation of persons tax	502
Treasurer of United States:	
Administrative report	213
Checks paid, number	216
Expenditures by States	532
Philippine Treasury account with	165
Savings bonds held for despositors	217
Treasury bills. (*See* Public debt.)	
Treasury bonds. (*See* Public debt.)	
Treasury, condition of, June 30, 1942 and 1943	666
Treasury Department (*see also* Circulars; Orders; Personnel):	
Accounts, description of	460
Administrative and staff officers, Nov. 15, 1943	xx
Appropriation estimates submitted to Budget and Improvement Committee	218
Expenditures:	
1943 by months and 1942 and 1943	480
1943 and estimates for 1944 and 1945	778, 782
Activities by States	530
Under Emergency Relief Appropriation Acts, Apr. 8, 1935, to June 30, 1943, by years and total	511
War activities 1943 by months and 1942 and 1943	490
Organization (Chart I)	xxiv
Organization and procedure changes	132
Tax proposals in connection with Revenue Act of 1942	82
War activities:	
Appropriations and expenditures 1941–43 by years	542
Expenditures 1941–43 by years and months	544
Expenditures 1943 and estimates for 1944 and 1945	778
Treasury notes. (*See* Public debt.)	
Treasury savings securities (matured debt). (*See* Public debt.)	
Tripartite Claims Commission, awards entered against Hungary	187
Trust accounts (*see also* titles of particular funds):	
Discussion	30
Expenditures:	
1932–43 by years and 1943 by months	465
1942 and 1943 summary	30
1943 by months and 1942 and 1943, classified	494
1943 and estimates for 1944 and 1945	792
Investments held in, summary of amounts	198
Receipts:	
1932–43 by years and 1943 by months	464
1942 and 1943 summary	30
1943 by months, classified	474
1943 and estimates for 1944 and 1945	786
Explanation of	461
Securities held by Treasurer, amounts June 30, 1942 and 1943	217
Special Government issues for. (*See* Public debt.)	
Status of trust and special funds for which investments are made by Treasury	674
Tax collections credited to	503
Turkey, Special Claims Commission, United States and Turkey, awards and payments	187

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Federal Reserve Bank of St. Louis

U

Unemployment trust fund (*see also* Public debt, Special issues):
Amounts credited to each State agency and railroad unemployment insurance account and withdrawals as of June 30, 1943 — Page 683
Expenditures:
1936–43 by years and 1943 by months — 465
1943 by months and 1942 and 1943 — 494
1943 and estimates for 1944 and 1945 — 792
Receipts:
1936–43 by years and 1943 by months — 464
1943 and estimates for 1944 and 1945 — 786
Deposits by States 1943 by months — 474
Interest on investments 1943 by months — 474
Status June 30, 1943 — 682
Withdrawals by States, total 1943 by months and 1942 and 1943 — 494
U. S. S. R. gold purchases — 115
U. S. Commercial Company — 546, 670
U. S. Government life insurance fund. (*See* Government life insurance fund.)
U. S. Housing Authority. (*See* Federal Public Housing Authority.)
U. S. Housing Corporation — 670, 705
U. S. Maritime Commission:
Appropriations, contract authorizations, and expenditures for war activities 1941–44 by years — 542
Assets and liabilities — 694
Expenditures:
1932–43 by years — 500
1933–43 by years and 1941–43 by months — 544
1943 by months and 1942 and 1943 — 490
War activities, 1941–43 by months — 26
Proprietary interest of United States in — 704
U. S. notes. (*See* Money.)
U. S. notes and Treasury notes of 1890, gold reserve against, in Treasury June 30, 1942 and 1943 — 666
U. S. savings bonds. (*See* Public debt.)
U. S. Spruce Production Corporation — 670, 705
U. S. war savings stamps. (*See* Public debt.)
Unjust enrichment tax — 10, 501, 503, 508, 764

V

Veterans' Administration expenditures 1943 by months and 1942 and 1943 — 488
Victory notes. (*See* Public debt.)
Victory tax (*see also* Taxes) — 10, 501

W

War activities:
Appropriations authorized, by acts, and net contract authorizations, Mar. 25, 1940, to June 30, 1943 — 538
Appropriations, contract authorizations, and expenditures by agencies and years 1941–43 — 28, 542
Currency, special series for use in North Africa — 118
Customs Service participation — 119, 232
Expenditures:
1932–43 by years — 500
1932–43 by years and 1943 by months — 463
1933–43 by years and 1941–43 by months and agencies — 544
1940–43 and estimates for 1944 and 1945 — 2
1941–43 by months — 24
1941–43 by months and agencies — 26
1941–43 by years and organizations — 22
1941–43 by years and percent of total expenditures — 20
1943 by months and 1942 and 1943, by agencies — 488
1943 by States, housing and public works — 725
1943 and estimates for 1944 and 1945 — 776
Discussion — 24

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Federal Reserve Bank of St. Louis

War activities—Continued. Page
Fiscal Service participation 161
Lend-lease purchases by Procurement Division 120
Reconstruction Finance Corporation commitments, receipts, and disbursements 1941–43 by years 28, 546
Strategic materials acquired 122
War Claims Arbiter, awards on account of claims of German and Hungarian nationals 185
War contributions fund:
Discussion 127
Donations, unconditional 128
Gifts of money to, Mar. 27, 1942, to June 30, 1943, and purposes of contributions 128
War corporations 695, 705
War Damage Corporation 546, 670
War Department:
Appropriations and expenditures 1941–43 by years 542
Expenditures:
1789–1943 by years 466
1932–1943 by years 500
1933–43 by years and 1941–43 by months 544
1943 by months and 1942 and 1943 488
1943 and estimates for 1944 and 1945 776
War activities, 1941–43 by months 26
War Finance Committee created 385
War Finance Division, administrative report 282
War loan drives. (*See* Financing, Treasury.)
War savings bonds. (*See* Public debt, U. S. savings bonds.)
War Savings Staff designation changed to War Finance Division 282, 385
War Shipping Administration:
Assets and liabilities 694
Expenditures 1942 and 1943 500
Proprietary interest of United States in 704
Wines tax 501, 764
Withholdings of taxes. (*See* Receipts; Taxes.)
Work Projects Administration expenditures:
1943 by months and 1942 and 1943 486
1943 by States 725

Y

Yugoslavia, obligations owned by United States. (*See* Foreign government obligations owned by United States.)



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